

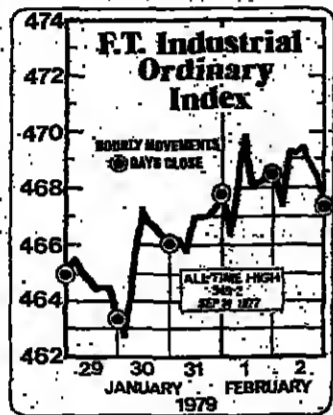


WHERE PROPERTY MATTERS ASK EVES advertisement

CONTINENTAL SELLING PRICES: AUSTRIA Sch 16; BELGIUM Fr 25; DENMARK Kr 3.5; FRANCE Fr 3.5; GERMANY DM 2.0; ITALY L 600; NETHERLANDS F 2.0; NORWAY Kr 3.5; PORTUGAL Esc 25; SPAIN Ptas 50; SWEDEN Kr 3.25; SWITZERLAND Fr 2.0; EIRE 15p

NEWS SUMMARY

GENERAL: Khomeini backs Iran paralysis; BUSINESS: Equities fall 1.2; U.S. gold up \$7.60



Water workers' employers pledge to improve offer

Water employers made it clear last night that they were prepared next week to improve their 13.9 per cent pay offer to the industry's 33,000 manual workers.

Pay negotiations were adjourned last night without the offer being increased, despite a threat from leaders of 10,000 National Union of Public Employee workers in the industry to strike next week if it was not improved.

Negotiations will resume on Monday. Sir Robert Marshall, chairman of the employers' side of the National Water Council which represents nine regional water authorities, would not indicate by how much the offer was likely to be improved.

Water workers are already taking unofficial action in Liverpool, the North-West, parts of South Yorkshire and Leeds.

NUPE said yesterday that the 13.9 per cent offer had been rejected in a ballot by 91.1 per cent of its waterworker members. The result is in line with similar rejections by water workers in the other two unions in the industry, the dominant General and Municipal Workers' Union and the Transport and General Workers' Union.

Mr. Reg Pace, a NUPE official, said the union's members would be looking for the "going rate" in the private and some parts of the public sectors, which he estimated at 15 per cent.

In the local authority dispute, employers and union officials will meet on Wednesday, but Mr. Roy Hattersley, Prices

Secretary re-emphasised yesterday that the Government would not consider funding any offer above 8.8 per cent, which is already above the limit allowed by its pay policy.

Officials of the four unions involved in the public sector disputes met yesterday and are to sanction strikes by more than 10,000 workers next week.

The main impact of industrial action, however, has been caused by overtime bans and work to rules. The Department of Health said yesterday that the position had worsened and it was becoming increasingly difficult to find beds for admissions.

Hattersley rules out more than 8.8 per cent for council workers, Page 3

British Airways to stop unofficial strikers' cheap travel, Page 4

York Trailer claims damages, Back Page

More than 800 schools have been completely or partially closed by industrial action, with Tyneside badly hit.

Mr. Charles Donnet, General and Municipal Workers' Union national officer and chief union negotiator for the local authority manual workers, said after yesterday's joint union meeting that the union's guidelines on industrial action were now being issued widely down the line to local union officials.

They are designed to try to ensure that the dispute does not interfere with genuine emergencies in the health service nor hamper certain types of work in schools and other institutions.

John Elliott writes: A steady stream of pay settlements giving rises well in excess of the Government's original 5 per cent limit was reported last night by the Confederation of British Industry's pay data bank.

Of 686 company and public sector deals covering 409,000 workers, analysed in detail by the confederation, 29 per cent of the workers have basic rises in excess of 10 per cent. Just over 60 per cent have accepted 5 per cent or less, but two-fifths of them have also agreed productivity deals adding an average of 5 per cent more.

In all, the data bank has been notified of 719 deals covering 1.5m employees.

Threat of total strike at BL Cars

By Arthur Smith, Midlands Correspondent

BL CARS union leaders are recommending a total strike by the company's 100,000 manual workers from next Friday—a stoppage which both sides agree could be "disastrous" for the State-owned concern.

The action, agreed in Coventry yesterday by the trades union side of the national joint negotiating committee, is in protest at the company's refusal to go ahead with parity payments worth up to £10 a week to some workers.

Management maintains that such awards must be self-financing. Poor output in the last three months, because of internal disputes and the lorry drivers' strike, meant the company could not afford to make payments scheduled for this month but backdated to November 1.

High output in the next two months might make it possible to pay the money from January, the company said.

Mr. Grenville Hawley, automotive secretary for the Transport and General Workers' Union, maintained that workers who had voted by a 2-1 majority last December to accept a total package worth up to 16 per cent, had been "misled." They would not have settled for the straight 5 per cent now being offered.

The company had reneged on the deal, he said. For their part, the workers had increased output, improved productivity in some areas, and allowed 7,000 redundancies.

Mr. Hawley was convinced the Government was not fully aware of developments at BL. The unions would make representations to Ministers and the National Enterprise Board, the group's controlling shareholder.

Dutch £50m offer rejected Battle grows for English Property

BY MICHAEL CASSELL

THE FIGHT for control of English Property Corporation was stepped up yesterday when Wereldhave, the Dutch property group, made revised £50.2m cash offer for the company.

The board of EPC met last night, at the end of a day of hectic activity, and rejected the Dutch offer. Mr. Stanley Honeyman, chief executive, said the bid was "simply not enough" and that his directors were prepared to sit and consider any offer "in the light of our shareholders' best interests."

But Wereldhave said that its 46p a share bid—compared to its original offer of 37p—had been accepted by Eagle Star, which holds 37.2 per cent of EPC's equity and which earlier in the day had its own 46p a share offer rejected by EPC.

Announcing its decision to turn down the Eagle Star proposals, which were "inadequate in amount," EPC said the terms demonstrated the "total inadequacy" of the original Wereldhave offer.

In yet another development yesterday—a day in which EPC shares were suspended until Monday at 46p—the company revealed that it was having talks with Olympia and York Developments of Canada, to establish whether there was a basis on which an offer could be made for the UK group.

Last night, Rothschilds, the merchant bank acting on behalf of Olympia—probably the largest privately-owned property company in Canada—said it was proceeding with its examination of EPC's figures but that it was too early to say whether a bid might follow.

It pointed out that Sir Denis Mountain, chairman of Eagle Star, and Mr. F. A. Davies, deputy chief general manager of Eagle Star, both of whom are also directors of EPC, will continue to take no part in the deliberations until the final outcome is known.

Wereldhave, the largest independent international real estate investment group in Holland, said that it had been able to increase its bid as a result of the sale by EPC last month of a Nice development for £5.5m, resulting in a book profit of about £4.8m.

Olympia and York's interest in EPC stems from the UK group's half-share in its Canadian-based Triplex associate. The other half is owned by the Brofman property family, which itself cannot be ruled out as a potential bidder.

Olympia currently owns about 35m square feet of property in Canada and North America, including Toronto and Calgary. Its American activities extend only to New York, where it purchased a portfolio of seven buildings in 1977. So far, the company has no investments in Europe.

Rothschilds said last night that as Olympia was a private company it was not at this stage disclosing any financial information. He said the company's approach to EPC was first made last week and that it would take a week or ten days before it had assembled and evaluated all the necessary information.

Asked if talks with Olympia would now continue, Mr. Honeyman said he preferred not to comment on anything other than his board's rejection of the Eagle Star bid.

BP to cut crude oil supplies by 45%

BY KEVIN DONE, ENERGY CORRESPONDENT

British Petroleum is cutting crude oil supplies to all its customers by 45 per cent in the first three months this year, because of the worsening state of world oil markets.

BP, which normally takes up to 40 per cent of its crude oil supplies from Iran, warned customers four weeks ago that it was cutting supplies by 30 to 35 per cent in the first quarter.

It has now been forced to impose an even greater reduction in supplies, partly because of its apparent inability to replace the lost Iranian production from other sources, and partly because of the mounting uncertainty over how long the turmoil in Iran will last.

The final cargo of crude oil to be exported from Iran left the Gulf on December 26. It has taken several weeks for the effect of the total shut-down of Iranian exports to work its way through the supply system. But according to oil traders in London last night the spot market for crude oil and for refined products has been overtaken by panic-buying.

The spot markets only account for a small percentage of overall world crude oil trade. But there is a growing fear that if spot prices continue the dramatic rise of the last two days, the OPEC countries could respond by introducing further crude oil price increases in the near future.

Crude prices are already set to rise by 14.5 per cent by the beginning of October, bringing the price of Arab light crude, the marker for other crude oil prices up to \$14.54 a barrel. A 5 per cent first stage increase was introduced on January 1 bringing Arab light up to \$13.34 a barrel.

been virtually wiped out because of the lack of available supplies, but traders in London reported last night that a cargo of Arab light could now command prices well in excess of \$20, a premium of as much as \$7 over official OPEC prices.

A part cargo was apparently sold in Rotterdam at a delivered price of \$23. A cargo of Iraqi Bahrah light, with an official price of \$13.29 was offered for sale for the second half of February at \$22.00. A U.S. independent oil company was reported to have emerged as a potential buyer yesterday afternoon, but by then the asking price had risen to \$25.00.

Spot prices for all products have also risen dramatically. The sale of a cargo of premium petrol was reported in Rotterdam on Wednesday at \$25 a tonne. Yesterday a trading company reported the sale of two large cargoes at \$302.50.

Treasury bill tender rate up

BY PETER RIDDELL

UPWARD pressure on short-term interest rates was maintained yesterday with a further sharp rise in rates at the weekly Treasury bill tender.

The authorities show no signs—so far—the moment at least—of shifting from their stance of waiting to see what happens on the pay front while meanwhile keeping Minimum Lending Rate unchanged at 12 1/2 per cent.

But the Money market pressures are increasing. The average rate at yesterday's tender rose by 0.409 to 12.496 per cent. This would have meant an MLR of 13 per cent under the market-related formula abandoned last June.

allow discount houses to finance their books probably by borrowing from the Bank of England at MLR. The authorities are hopeful that the houses will not abuse this position and the Bank could take action if necessary. MLR is only a minimum rate.

But this may mean only a postponement of a rise in short-term rates. The clearing banks face pressure to increase their base lending rates because of the rise in the cost of their money market funds, but they may be reluctant to make changes ahead of the announcement in the middle of this month of big profit increases for 1978.

Prices of gilt-edged stock fell again yesterday—to their lowest level since March 1977—with declines of 1/4 point on long-dated issues.

The Government is reluctant to alter its policy while there is uncertainty both about the level of pay rises and about the possible impact on public sector borrowing and the economy generally.

The authorities presumably want to take stock of the overall fiscal and monetary prospects later on, rather than take premature, and possibly wasted, action now.

Moreover, there is no immediate external pressure in view of the stability of sterling. The City will watch closely to see if the mid-January banking figures indicate any change in domestic monetary influences.

CONTENTS OF TODAY'S ISSUE

Table listing contents of today's issue including Overseas news, Home news, Arts page, Leaders page, UK Companies, Mining, Intl. Companies, World Markets, Foreign Exchange, Farming, raw materials, UK Stock Market.

FEATURES

Table listing featured articles such as A century of electric light, Oil prospecting in a Cotswold beauty spot, Wooling China without alienating Russia, Silver price boom, Biedermeier interiors, Threat to overdrafts, Relief on mortgages, Gardening: Rock gardens 10, The Renault R18, Taking a cruise, Avoiding comprehensives, 007 aids French films.

FT REPORT

Taking a car on holiday 14-15

Table listing appointments, books, chess, crossword, education, entertainment, food, general, health, home, jobs, law, leisure, letters, life, music, news, photography, science, sport, travel, TV and radio, weather, your savings/inv., offers for sale, share information.

Table listing 25 Week's Dents, Travels, TV and Radio, Under Trans, Weather, Winter Sports, Your Savings/Inv., OFFER FOR SALE, Local Auth. Eds., UK Commercials.

For latest Share Index phone 01-246 8026

Vicious dead: Punk rock star Sid Vicious has been found dead in New York...

Vote pledge: The South African Government will introduce legislation this year to give the vote to coloured people and Indians...

Checks stopped: Home Secretary Merlyn Rees has banned tests on immigrant women to find out if they have borne children...

Cheap fares ban: British Airways is to withdraw cheap travel concessions from staff who take part in unofficial strikes...

Sithole claim: Chairman of Rhodesia's Executive Council, the Rev. Ndebele, has claimed that a UK Tory Government would recognise Rhodesia after the one-man, one-vote elections in April...

Arms charge: Two Irishmen were arrested on the Greek border with Turkey, and charged with smuggling arms and ammunition into Greece...

Liberal strategy: Liberal MPs will next week unveil their likely election strategy when they begin a five-week tour of the country...

Final tribute: Representatives from 44 countries and many U.S. politicians joined President Jimmy Carter in a final tribute to Nelson Rockefeller in Manhattan...

Briefly: Heavy snow has hit the North again, and black ice and flooding have caused chaos in the Midlands and East Anglia...

Former England football manager Don Revie is to ask the High Court to set aside his 10-year suspension from English football imposed in December...

CHIEF PRICE CHANGES YESTERDAY

Table listing price changes for various commodities and shares including AGB Research, Alcan Aluminium, BB & EA, Bibby (J.), British Aluminium, British Enkalon, Caledonian Hides, Croydon Pulp, Dixon (D.), Dorey, Eurotherm, Ferranti, Glanfield Lawrence, Greaterman Stores, Intercomp. Props., Intl. Thomson, LaSbruce, Magnet & Southern, Macters, Marshall's Universal, McKay Secs., Mountview Exts., Regional Props., Smith (W. H.), Standard Chartered, Unitech, Yarrow, BP, General Mining, M.L.M. Hides, North Broken Hill, Roan Cons. Mines, Sabina Inds., Treas. 91c 1983, Treas. 13 1/2c 1983, Brown & Jackson, Guinness Peat, Moran (C.), Newmark (L.), Sotheby P.B., Mountview Exts., Regional Props., Smith (W. H.), Standard Chartered, Unitech, Yarrow, BP, General Mining, M.L.M. Hides, North Broken Hill, Roan Cons. Mines, Sabina Inds., Treas. 91c 1983, Treas. 13 1/2c 1983, Brown & Jackson, Guinness Peat, Moran (C.), Newmark (L.), Sotheby P.B.

M&G Dividend advertisement featuring 'AN OFFER FROM M&G DIVIDEND' and 'Say you had invested £1,000 in M&G Dividend in 1967. In that year the income was £44.28 net of basic rate income tax.'



OVERSEAS NEWS

The U.S. wants to woo China without alienating Russia

Carter keeps his balance

BY COLINA MCDUGALL IN WASHINGTON

DURING THREE days of talks with the Chinese vice-premier Deng Xiaoping (Teng Hsiang-ping), President Carter seems to have pulled off a balancing act between Peking and Moscow. In spite of Mr. Deng's pressure to endorse the Chinese view of the Soviets as "hegemonists" bent on world domination, the President politely and publicly dissociated the U.S. from it, printing out on Wednesday that "obviously the security concerns" of the two countries did not coincide. The Chinese seem to have accepted this.

The Chinese vice-premier may have taken away with him a better idea of President Carter's problems with Congress in completing the switch of relations to Peking. Mr. Deng's remarks to Congressmen to the effect that China was seeking the peaceful reunification of Taiwan mollified the middle-of-the-roads, who were not so much hostile to China as concerned about a long-standing ally. The vice-premier's measured and diplomatic reply impressed both the Republicans and Democrats to an extent that seems certain to smooth the path to much closer bilateral relations.

The vice-premier scored a major point in securing an admission from Senator Jackson that China's annual rate allowed it to qualify for most favoured nation treatment. The Jackson-Vanik amendment to the 1974 Trade Act withholds most favoured nation treatment from countries that restrict emigration. This could raise a problem. MFN is denied to the Soviet Union, and if China alone were conceded it, the President's "even-handed" treatment of the two Communist giants might look less credible.

Mr. Deng's implied assurances that Taiwan would keep its autonomy, its political and social system, its defence equipment, and its foreign relations if it would simply acknowledge Peking as China's capital calmed considerable Congressional alarm. This improved atmosphere will be vital to ensure the safe passage of legislation to provide the framework for future U.S. relations with both Peking and Taiwan. Congress has to authorise the establishment of an American Institute in Taiwan which will replace the embassy and perform all its functions so as to retain the link between the two countries. It will be staffed entirely by retired foreign service officers.

Following that will come assorted trade legislation on questions like MFN and Exim-bank financing. The U.S. Secretary of Commerce, Mrs. Juanita Kreps, is to go to Peking in April to discuss a trade agreement which will be tied in closely with these other matters. Unless these matters get Congressional approval, Sino-U.S. trade could be seriously affected. Without MFN China will find it difficult to increase its exports significantly, and without Exim-bank financing at rates similar to those offered by ECID, American businessmen will not be able to compete with Japanese and Europeans who are already discussing huge deals with Peking for capital equipment.

There is some uneasiness that increased Chinese exports to the U.S. could mean a deluge of low cost textiles or shoes. Peking would probably accept some kind of quota system with reasonable grace to keep the new relationship running smoothly. On the debit side, Mr. Deng may have heightened two of President Carter's problems. One is the question of the proposed SALT agreement which, when it is tabled, will require a two-thirds majority in the Senate to ratify it. If Mr. Deng succeeded in communicating Peking's distrust of Moscow to Congress, he might just swing the balance in what is already an uncertain situation.

Russia warns West against joining 'anti-Soviet policy'

BY ANTHONY ROBINSON, EAST EUROPEAN CORRESPONDENT, IN MOSCOW

SOVIET FEARS that normalisation of relations between the U.S. and China would be followed by Chinese attempts to influence American opinion in an anti-Soviet direction have been confirmed by Mr. Deng Xiaoping, the Chinese Deputy Premier's call in Washington for a "broad front" against the Soviet "polar bear."

Mr. Georgi Arbatov, Director of the U.S.-Canada Institute, told the Financial Times yesterday that "we were originally assured that normalisation would be a sound process, a stabilising factor in the world which would help to involve China in the international community and the process of détente. Now we have the visit which shows the contrary that the Chinese are trying to involve the U.S. and the West in an anti-Soviet policy."

Record decline of Canadian dollar sparks political row

BY JIM RUSK IN TORONTO

THE CANADIAN dollar has been pushed to its lowest level in nearly 50 years in recent currency trading. During Thursday's trading on the North American inter-bank wholesale market, the currency touched 83.2 U.S. cents, the lowest level since early 1933. The dollar took its sharpest tumble on Wednesday when, despite heavy intervention by the Bank of Canada, it fell to 83.38 U.S. cents from 83.7 cents the day before. Trading was lighter on Thursday and the close was off only slightly 83.35 U.S. cents.

The Finance Committee to conduct an inquiry into the dollar's weakness. The mid-week weakness was attributed to fears that Canada might resort to currency controls in an attempt to relieve pressure. However Canadian Finance Department officials have tried to allay fears of controls by granting Press interviews in which they claim the controls would be a bureaucratic nightmare that would likely be unworkable in an economy as open as Canada's.

The other factor touching off the current round of selling has been the report that the 1978 trade surplus was \$3.52bn a level well below the forecast of both the Federal Government and many business economists. Estimates of Canada's current payments deficit for 1978 are now running at \$4.5bn. Traders are also looking closely at Canadian Government moves to borrow currency in foreign markets to bolster the dollar and some are starting to draw pessimistic conclusions about the effect on Canada's balance of payments deficit of the cost of these massive borrowings.



Sig. Enrico Berlinguer, the Italian Communist Party leader, after talks yesterday with President Pertini.

Barre sticks to his economic guns

BY ROBERT MAUTHNER IN PARIS

M. RAYMOND BARRE, France's Prime Minister, undeterred by the mounting wave of demonstrations in Eastern and Northern France against the closure of steel plants, yesterday reiterated that he had no intention of modifying the Government's austerity policies. M. Barre implicitly rejected the urgent calls by M. Jacques Chirac, the Gaullist Party leader, and M. Francois Mitterrand, the Socialist leader, for expansionary measures to mop up the increasing numbers of unemployed, now exceeding 1.3m.

increases in the cost-of-living index. This would keep wage increases to less than 10 per cent, given that prices this year are expected to rise by at least 8 per cent. The Prime Minister also emphasised that the Government was determined to continue its policy of industrial restructuring, to give France a modern and profitable industry which would be fully competitive on world markets.

Cold weather boosts W. German jobless

By Adrian Dicks in Bonn

UNEMPLOYMENT IN West Germany rose sharply in January as a result of the interrupted hard winter weather that brought construction and other outdoor activities to a halt throughout the month. The total number of people out of work jumped by 164,000 to 1.7m, while the unemployment rate rose to 5.1 per cent from 4.4 per cent in December. Despite the very large rise in the unemployment total, Herr Josef Stingl, head of the Federal Labour Office, insisted that the figures continue to point to a further upward trend in economic activity. He said that although the number of unemployed in the building industry had nearly doubled from December to January, to reach some 90,000, it was still 9,300 fewer than in January 1978. Total unemployment was also some 42,000 lower than it had been a year before.

Spanish unions begin a series of bank strikes

BY ROBERT GRAHAM IN MADRID

THE SPANISH banking system faces serious disruption if not complete paralysis today as a result of a strike called by the main trade unions in pursuit of a new wage and working conditions agreement. The unions anticipate that some 90 per cent of bank employees will observe the strike call, especially in the large banks, while management is intending to operate a skeleton executive staff to deal with cash requirements of clients. The strike is the first in a series of six planned over the next 11 days. The other days planned are February 7, 8, 12, 13 and 14. In anticipation of the strike, banks have taken extra security precautions against robberies. The association of Spanish Private Banks is offering an initial 13 per cent average increase.

The association has indicated it will offer up to the 14 per cent Government-imposed ceiling if the unions accept a change in banking hours that permits nine to five opening hours five days a week instead of the existing nine to two six days a week. Negotiations between the two sides have not been broken off, and it is possible that some of the further planned strikes will be called off once the effectiveness of today's strike has been measured. Elsewhere in Spain strikes continued to be widespread. Important differences are still preventing a settlement in the engineering strikes that have affected the provinces of Madrid, Navarre and Vizcaya all this week.

Italian deadlock remains

By Paul Betts in Rome

SIG. SANDRO PERTINI, the Italian President, is expected today to give Sig. Giulio Andreotti, the outgoing Prime Minister, the mandate to attempt to form a new Administration to resolve the country's latest government crisis. During the past 48 hours, Sig. Pertini has held in record-time consultations with all the main political parties to seek a preliminary solution to the crisis brought about by the withdrawal earlier this week of the powerful Communist Party from the Parliamentary majority. However, after Sig. Pertini's two-day consultations, there were no signs that the deadlock between the country's two main parties, the Christian Democrats and the Communists, had been overcome. Sig. Enrico Berlinguer, the Communist secretary general, renewed yesterday his party's firm demands for direct participation in a new government of "democratic and national solidarity."

Italian deadlock remains

By Paul Betts in Rome

But Sig. Benigno Zaccagnini, the Christian Democrat secretary general, against rejected these demands and suggested that a compromise should be formulated over an all-party economic and social programme. He said the ruling party was prepared to consider any alternative formula to the outgoing minority Christian Democrat government as long as it did not entail the inclusion of Communist cabinet ministers. In these circumstances, Sig. Andreotti's chances of rebuilding a Parliamentary majority to support what in effect would be his fifth administration appear increasingly dim, despite the apparent unwillingness of all the main parties to risk an electoral confrontation at this stage. Unless a compromise is reached, the most likely outcome of Italy's latest crisis is an early general election, although should Sig. Andreotti fall, another political leader could be asked by Sig. Pertini to try again.

Credit Lyonnais changes after foreign stock loss

BY DAVID WHITE IN PARIS

A £44M scandal in the London stock and bond dealing operations of Credit Lyonnais, the state-owned French bank, has claimed its first victim. M. Maurice Genin, the bank's director for financial affairs, has resigned, and the department has been brought under the supervision of M. David Dautresse, deputy general manager and number four in the Credit Lyonnais hierarchy. M. Georges Branchart, an employee responsible for the bank's foreign stock market section, has been charged by an examining magistrate with embezzlement, abuse of confidence, and forgery. He was dismissed over two weeks ago. The bank last week started legal proceedings against M. Branchart, Mr. Thomas Stoddart, a British financial analyst, and others, who remain unidentified. Mr. Stoddart left the bank last year, after the financial affairs department was reorganised in September, and received six months salary in compensation. He has since disappeared. Large unaccounted losses at the London end of the bank's portfolio investment operations were discovered soon after, but did not become public knowledge until last month, when bank employees' unions gave details to the Press. The bank in its proceedings, is accusing the British former employee of embezzling FFr 6m (£705,000). A further FFr 31m remains to be accounted for. The bank said it had not established to what extent this loss was the result of fraud by others or of misplaced investments.

Dutch to join UN force

By Charles Batchelor in Amsterdam

THE DUTCH Parliament has approved the Government's plan to send a unit of 800 men to join the UN peace-keeping force in Southern Lebanon. The Cabinet was criticised, however, for not consulting Parliament before agreeing to the UN's request for a Dutch contingent. The Government hopes that the force will consist mainly of volunteers. Mr. Willem Scholten, the Defence Minister, told Parliament. However, the first contingent which is due to take up its duties in mid-March is expected to include some men who have requested not to be sent.

Pakistan acts to revive investment in industry

BY CHRIS SHERWELL IN ISLAMABAD

IN A two-pronged move to boost Pakistan's flagging industrial sector, the Government has agreed to abolish the Board of Industrial Management, the body theoretically controlling the country's nationalised industries. It will also establish a financial institution to stimulate private industrial investment. To improve the low efficiency of Pakistan's public sector enterprises, the cabinet has set up a committee of Ministers which will approve mergers and financial restructuring among more than 60 public enterprises nationalised under the Bhutto regime. Some units will be wound up. But none will be handed back to their former owners, in line with previously announced policy. To sweeten the entrepreneurial investment climate, the cabinet has established Bankera Equity Limited, a company intended to provide equity support for new ventures in the private sector. The idea is to use surplus liquidity with the nationalised commercial banks to provide funds for equity all through a new financial institution. But the Government acknowledges that the private sector's response to past steps has been poor. Bankers Equity Limited would receive 40 per cent of its subscribed capital of Rs 250m (£12.5m) from the State Bank of Pakistan, and the rest in equal shares from the five nationalised banks. Authorised capital has been fixed at Rs 1bn, and in due course the subscribed capital would be increased. The company's main functions are described as "to underwrite and subscribe to the equity of medium and large sized industries and also to provide finance in cover of the equity commitment." The organisation will be "kept free from rigid administrative and financial control of the Government," according to the cabinet decision.

German-Japan nuclear deal

By Richard Hanson in Tokyo

THE JAPAN Atomic Energy Research Institute says it has concluded a three-year agreement with its West German counterpart, Kernforschungsanlage Juelich, to co-operate in the research and development of a thermal gas reactor. Japan hopes to put an experimental thermal gas reactor into operation by 1985. A thermal gas reactor is a new type which uses graphite as the moderator and coolant as a cooling agent. It emits high temperature gases which can be converted into energy for steel and chemical industries. It will also maintain a high heat conduction rate while emitting low amounts of radioactive waste.

White prisoners set free

BY QUENTIN PEEL IN JOHANNESBURG

FOUR WHITE prisoners captured in Rhodesia by guerrillas belonging to the Zimbabwe African National Liberation Army (ZANLA), supporters of the Rhodesian nationalist leader Mr. Robert Mugabe, were released yesterday in the Mozambique town of Maputo. The four, who were captured in different areas of eastern Rhodesia between May and September last year, reported that the guerrillas appeared to be in control of considerable areas along the eastern border. Mr. Thomas Wigglesworth, a former British Army major seized on his farm near Umfali, said the guerrillas were "well trained, well disciplined and in extremely good morale. Everything they had was made available to us." His impressions were supported by Mr. Johannes Maartens, a South African citizen also captured on a farm near Umfali. The other prisoners released into the care of Amnesty International to coincide with the current meeting of non-aligned states in Maputo, were Mr. John Kennerley, an off-duty Rhodesian soldier captured near Beitbridge on the South African border, and Mr. James Black, a forest ranger captured in the Eastern border area of Maelseter. A spokesman for Mr. Mugabe's Zimbabwe African National Union (ZANU), the political wing of ZANLA, said the four were the only white prisoners they held. A "steady stream" of black prisoners would soon be released.

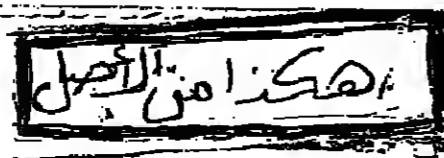
U.S. unemployment rate falls to 5.8% in January

BY DAVID BUCHAN IN WASHINGTON

THE U.S. unemployment rate dropped in January to 5.8 per cent from 5.9 per cent the previous month, the Commerce Department reported yesterday. The overall jobless rate is not included in the Government's index of leading indicators, and therefore last month's slight decline in unemployment does not necessarily conflict with signs earlier this week from the leading indicators index that the economy is slowing down. Government economists believe that companies last month were reacting to lower productivity of American workers by hiring more of them, in order to maintain the same level of output. Long term growth in output per worker declined in 1978, according to the Administration, to 1.5 per cent. Stewart Fleming adds from New York: First Pennsylvania Bank, the twentieth largest U.S. commercial bank, joined Chase Manhattan in cutting its prime lending rate to 11 1/2 per cent from 11 3/4 per cent yesterday. But Citibank, the second largest U.S. bank, said it was leaving its prime unchanged. Citibank, however, employs a formula to adjust its prime, based on a three week average of certificates of deposit in the secondary market. Observers expect the formula to indicate a cut next week barring a significant upturn in CD rates.

RONNIE CORBETT Requests the honour of your attention at 5.50 a.m. on Sunday, 4th February, 1979, on BBC Radio when he dedicates the song 'I and your friends our long care for the mentally handicapped.' Please send donations to: The Home Farm Trust, 54 Queen Square, Bristol BS1 4LH

PERSIAN CARPET SALE TODAY AT SAMAR'S CARPET GALLERY ANNOUNCE A GRAND CLEARANCE SALE OF TOP QUALITY PERSIAN CARPETS!!! Due to liquidation we must clear our New Bond Street shop of the finest quality Persian carpets at up to 50% OFF ORIGINAL PRICE! PLUS ANOTHER 10% IF YOU BRING THIS ADVERTISEMENT! Doors Open 9a.m.—7p.m. at SAMAR'S CARPET GALLERY 123 NEW BOND STREET, LONDON W1





UK NEWS

Ferranti subsidiary sold for £7.6m

BY MAX WILKINSON

FERRANTI, the electronics group controlled by the National Enterprise Board, has agreed to sell its Canadian subsidiary, Ferranti Packard, to Northern Engineering Industries for £7.6m, it was announced yesterday.

For Northern Engineering, the Newcastle-based engineering and electrical group, the acquisition is part of an attempt to regain ground lost last year when it was forced to withdraw from Howden Parsons, the Canadian turbine generator manufacturer.

Mr. Marcus Bower, main board director of NEI, said yesterday the company hoped to use Ferranti Packard as a base for selling new products in America, particularly mining gear and electronic control systems.

Hattersley rules out more than 8.8% for council workers

BY ELINOR GOODMAN, LOBBY STAFF

MR. ROY HATTERSLEY, Prices Secretary, yesterday ruled out any increase of more than 8.8 per cent to local authority workers as "pure fantasy."

last month, and has warned them that any settlement over that figure would not be met by an increase in the cash limits.



Into top gear: Mrs. Thatcher examines a machine which turns out cogs for duplicators during a visit to the Gestetner factory in South Tottenham, London, yesterday.

More teeth sought for City watchdog

By Michael Lafferty

THE COUNCIL for the Securities Industry, the new self-regulatory "watchdog" for the City of London, is to consider taking a role in the enforcement of accounting standards.

It has been asked to do so by the Accounting Standards Committee and the accounting bodies because of concern about the absence of effective enforcement under the present standard-setting system.

The council will decide on the matter at its next meeting on April 27. But leading City accountants are not optimistic that it will want more than a minor role.

Kirkby co-op hoping for foreign support

BY RHYS DAVID, NORTHERN CORRESPONDENT

KME, the Merseyside workers' co-op, is hoping to attract support from abroad following the Government's decision to reject applications for a further £5m in grants and loans.

Mr. Jack Spriggs, the co-op's convenor-director, told a meeting of the labour force of 700 in Liverpool yesterday that it was still hoped to avoid voluntary liquidation or receivership and he named the Ferroni company of Milan as a possible buyer.

Mr. Spriggs yesterday alleged that Mr. Eric Varley, the Industry Secretary, had been obstructive and hostile to the co-op, and said Mr. Varley had been reluctant to seek government backing for his decision.

His warning marked the beginning of a concerted effort by Ministers this weekend to hammer home the consequences of double-figure wage settlements.

The Prime Minister, who on Thursday took the unusual step of involving himself in a dispute by calling the leaders of the four unions involved in Downing Street, is expected to use today's Labour Party local government conference to spell out how much is being put at risk by such claims.

The passages dealing with the dispute were being finalised yesterday to take account of developments. Given the role of local government in the present dispute and others on the horizon, the Prime Minister is expected to use the platform for a major speech.

Ministers regard the outcome of the local authority manual workers' claim as fundamental in the fight against inflation.

Liberals' campaign to restore morale

BY OUR LOBBY STAFF

LIBERAL MPs will next week unveil what is likely to be their election strategy when they start a five-week tour of the country aimed at restoring the battered morale of party workers and re-establishing the party as a serious third force in politics.

Under the slogan, "Real fight is for Britain," they will again try to persuade the electorate that only the Liberals can exert the necessary moderating influence on the two main parties in Parliament.

Between the parties. On Wednesday, Mr. David Steel, the Liberal leader, called on Mr. Callaghan and Mrs. Thatcher to join him in all-party talks aimed at solving the country's economic problems.

Paris flight costs to be halved

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AIRWAYS is to halve the price of one of its London-Paris return flights, as part of a package offering big cuts on most European air routes.

The airline hopes that, from April 1, it will be able to offer a £100 excursion return London-Nice, against the normal economy class return of £191, in the off-peak months, and a £114.50 return in the peak months of July, August and September.

The fares are still subject to UK and French Government approvals, and various conditions will be attached to them—for example, the £50 London-Paris off-peak day return will require passengers to spend at least one Sunday abroad.

Campaign to explain change in tax relief

By Eric Short

THE CHANGE in method of tax relief on life assurance premiums is to be explained in a campaign launched by the Inland Revenue.

Under the present system, the premium is paid in full to the life assurance company and tax relief is claimed by tax code adjustment.

Under the new system which starts on April 6 life assurance premium will be paid net of tax relief—fixed at 17½ per cent—and the assurance company will reclaim the balance from the Inland Revenue.

It is estimated that over 1,000 jobs within the Inland Revenue will be saved by the change-over. The life assurance industry, however, estimate that it has cost them between £10m and £15m to implement it, as well as putting back by 12 months future development programmes.

Further details are given in a leaflet published by the Life Offices Association, and policyholders are advised to contact their life assurance company for details.

Lord Brooke to sell estate

LORD BROOKE, who recently sold Warwick Castle to Madame Tussaud's, is selling Leaffields Farm, the adjoining 700-acre estate.

The farm, which could go for £1m, is mixed arable and stock, and includes 1,780 yards of double bank fishing on the Avon plus 220 acres of woodland

Which investment guarantees to turn £100 into £150 tax-free\* in just five years?



He's sure of making money on it. But what about you?



It's a possible way of making money. But the odds are against it.



New 18th Issue National Savings Certificates. 8.45% over 5 years, tax free.



One way of keeping your assets liquid. But what do you do when you want the money?



Be sure it's framed nicely. Then at least you can be certain of getting something back for your money.

Second ship in doubt as £18m deal agreed

BY LYNTON McLAIN

THE BANK and Savill Line is to go ahead with its order for an £18m refrigerated container vessel from British Shipbuilders.

Work on the 15,300 dead-weight tonnes vessel will start at Swan Hunter's yard on the River Tyne on Monday, for delivery in May next year.

The shipping line placed letters of intent with British Shipbuilders in November for two identical refrigerated container vessels. However, only one will be confirmed in a letter to the corporation next week.

The fate of the other ship, to be delivered in January next year, still hangs in the balance and the original plan of British Shipbuilders to build the vessel at Smith's Dock on the Tees is in abeyance.

Draughtsmen at the Haverton Hill yard on the river, in dispute with the Engineers' and Managers' Association, have refused to release drawings for

the ship to Smith's Dock. The draughtsmen, members of TASS, the white-collar section of the Amalgamated Union of Engineering Workers, have also refused to complete the drawings.

Some drawings were handed over to Swan Hunter. Draughtsmen at the Tyne yard will begin completing the details next week. These plans could form the basis for the second vessel, which could also be built on the Tyne.

Members of TASS employed at the Govan yard on the Clyde have also refused to co-operate with Smith's Dock on detailed plans for two 16,500 dead-weight-tonne bulk carriers being built as part of the £115m Polish contract signed in 1977.

The full statement of the group said: "The company is aware that investigations are being made into certain insurance transactions effected in 1975 and in which its Lloyd's broking subsidiary acted as broker."

"The company has undertaken to give its fullest co-operation to the authorities carrying out such investigations."

"The company is entirely satisfied that the subsidiary concerned has not committed any breach of exchange control regulations."

Insurance contracts inquiry

BY JOHN MOORE

CHRISTOPHER MORAN Group, insurance brokers at Lloyd's, revealed yesterday that an investigation is taking place into re-insurance contracts in which it had acted as the broker.

Treasury papers relating to its investigation into the affair have been passed to the City of London Police Fraud Squad.

The company said it had undertaken to give its fullest co-operation to the investigations.

Every £10 you invest in our new 18th Issue will grow to a guaranteed £15 in just five years. That's equivalent to a compound annual interest rate over the full five years of 8.45% tax free (worth 12.61% to a basic rate taxpayer). Not only is the return\* free of income and capital gains tax, but there's nothing to declare on your tax form. Invest in £10 units up to a maximum of £1,500 (150 units) per person. At banks or post offices everywhere.

National Savings Certificates New 18th Issue.



UK NEWS

'Crushing blow' to London pride

MR. HORACE CUTLER, leader of the Conservative-controlled Greater London Council...

developers will take up the Government's offers of financial assistance. The final decision...

In the event a proposal from Mr. Shore that he would be willing to reconsider the scheme...

diverse to support a mart. But now the Dailies marts are extremely profitable.

nership authorities, both of which have benefited docklands through the provision of limited central Government finance...

Power schemes given £150m in EEC loans

BY ROY HODSON

LOANS of £150m have been made by EEC institutions for coal and electricity development schemes in Britain.

tribution systems. The money will be handled by the Merseyside and North Wales Electricity Board...

Airline to stop cheap travel for unofficial strikers

BRITISH AIRWAYS is to withdraw cheap travel concessions from staff who take part in unofficial strikes...

NEWS ANALYSIS-DOCKLANDS DAVID CHURCHILL AND PAUL TAYLOR ON THE TRADE MART DECISION

The decision not to back the trade mart but instead to offer a package of financial aid to other industrial and commercial developments in docklands is clearly a big setback to Mr. Trammell Crow...

ment to act as a catalyst for further industrial and commercial regeneration. The real question facing Mr. Peter Shore...

manufacturers. In the event a proposal from Mr. Shore that he would be willing to reconsider the scheme...

Following the adoption of a strategy plan for redevelopment over a year ago some progress has been made towards providing the infrastructure for new development.

Through the three hearings so far the central theme has been how to encourage private investment in the area.

Industry on the road again after strike

BY LYNTON McLAIN

INDUSTRY faced some transport problems yesterday as attempts were made to return business to normal after the lorry drivers' strike.

'Keep schools open' plea from Minister

By Michael Dixon

THE CAREER prospects of many children depended on pickets observing the unions' agreement that teachers should be allowed to enter schools to teach examination classes.

AA finds fault with petrol duty removal

By Kenneth Gooding, Motor Industry Correspondent

ANY MOTORIST who buys 4½ gallons of petrol a week will pay more tax if the Government goes ahead with its plan to replace excise duty with an increased levy on petrol.

British Airports handles 40m passengers in year

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AIR TRAVEL to and from the UK boomed last year, with nearly 40m passengers passing through the seven airports owned by the British Airports Authority.

substantially, by 12.6 per cent to 504,900. In the past, the growth in the number of aircraft movements has been much smaller than the growth in the number of passengers.

of Gatwick-Heathrow helicopter link, more than 37,000 passengers used the service, and it is hoped that, for the first full year of operation, the target of 64,000 passengers will be reached.

European company in contract hire move

By Ian Hargreaves, Transport Correspondent

FRANKIN SA, which claims to be Europe's largest truck rental and vehicle contract hire company, is moving into the UK market.

HAULERS, following the recent strike and several years of rapidly rising vehicle costs, would be ready to switch from the conventional pattern of vehicle ownership to improve their liquidity.

Call for close study into why certain foods cause illness

BY DAVID FISHLOCK, SCIENCE EDITOR

Doctors now believe that foods—even favourite foods—may be the cause of many more brief spells of illness than has been generally recognised.

into one of two main types, such as swellings and rashes, caused by such foods as strawberries, shellfish and eggs.

from inborn deficiencies of certain enzymes. The most prevalent reaction of this type is to caffeine, to which some people appear "extra-sensitive".

Bilston talks next week

MANAGEMENT and unions are to have further talks next week on the future of Bilston steelworks in Staffordshire.

Escalating labour unrest and worries about interest rates served to depress investors' confidence to the extent that last month was the quietest start made to a year since 1974.

Bomb attack widow faces £300 tax demand

A WOMAN widowed by a terrorist bomb attack has been asked to pay £300 tax on the income of her late husband's company.

Mrs. Thrupp, of Rodbourne Road, Harborne, Birmingham, said the taxmen originally claimed she owed them £800 for three years, but then halved the demand, admitting that they had not made sufficient allowance for her children, aged 19, 15 and 14.

Treasury entitled to block arts fund Bill

BY IVOR OWEN

TREASURY MINISTERS are entitled to block the Private Member's Bill which seeks to ensure that it is not possible to spend on the arts.

proceeding with the Bill was based solely on the grounds or merits. "I have no views on the order of the Bill, nor have I any power to accelerate or delay its progress through the House."

all sums in the National Land Fund would be transferred. The £50m would then be passed into the hands of independent trustees for spending on the arts.

STOCK EXCHANGE BUSINESS LAST MONTH Lack of confidence leads to quietest start since 1974

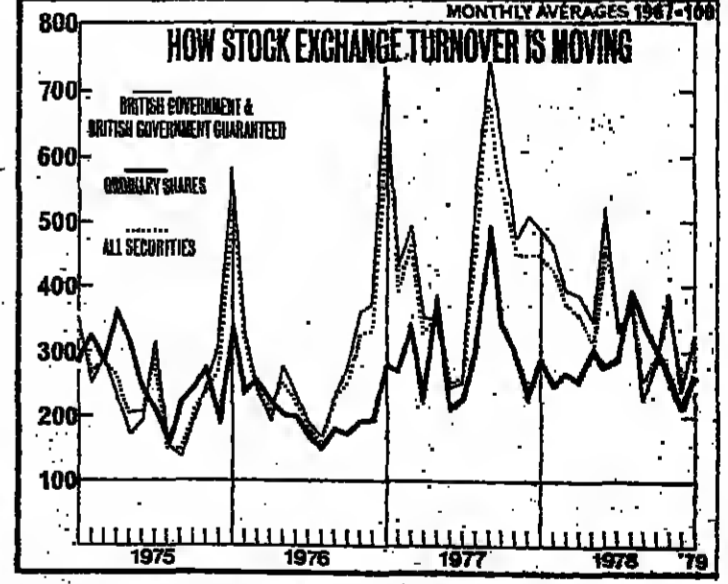
BY GEOFFREY FOSTER

Escalating labour unrest and worries about interest rates served to depress investors' confidence to the extent that last month was the quietest start made to a year since 1974.

Partly due to the fact that there were three more trading days in January, the number of bargains transacted on the Stock Exchange was 25,023 higher than in December at 365,913.

The Financial Times Stock Exchange Turnover Index for All Securities moved forward to 312.4 from December's 251.1 but compares unfavourably with last year's monthly average of 354.3.

Equity prices displayed remarkable resilience in January, considering the surrounding gloomy labour, economic and political scenes.



FT 30-share index moved between extremes of 484.4 (January 8) and 461.0 (January 26) before closing January at 467.7. The FT 30-share index fell from an end-December figure of 483.9 to close the month 2.42 points, or 3.5 per cent, down at a 23-month low of 462.7.

Table with 8 columns: Category, Value of all purchases and sales, % of total, Number of bargains, % of total, Average value per day, Average value per bargain, Average number of bargains per day. Rows include British Govt. and British Govt. Guaranteed, Short dated (having five years or less to run), Others, Irish Govt., Short dated (having five years or less to run), UK Local Authority, Overseas Govt. Provincial and Municipal, and Fixed interest stock, pref. and pref'd. ordinary shares.



THE WEEK IN THE MARKETS

Gifts take all the strain

THE LABOUR news has remained as depressing as ever this week. Some wage settlements have been struck at levels that hit even the most pessimistic forecasts of a few months ago...

although a recovery of the dollar would allow the impact of its expansion in the U.S. to show through in profits more clearly. The shares are selling at 10 1/2 times fully-taxed earnings against a sector average of 9 1/2.

BATs pleases

While YEF is confirming an enviable profits record, there was nothing in the bald figures from either BAT Industries or Decca to justify the prompt enthusiasm for both stocks.

LONDON ONLOOKER

The sale of two food subsidiaries from this division was probably worth around £5.5m in loss elimination while BAT took a substantial capital profit on the sale of certain sections of the Tobacco Securities Trust non-tobacco portfolio.

These must be classed as once only benefits but the market is prepared to believe that the underlying growth pattern can be sustained at the pre-tax level.

Yesterday morning yields on the highest-coupon long-dated stocks moved decisively above 14.3 per cent, and stripping out accrued interest in the long tap, Treasury 12 1/2 per cent 2003/05, has fallen 5 1/2 points from the level at which the Government broker last supplied it officially in December.

Equities retain their miraculous resilience: the FT 30-Share Index has crept back towards 470, showing not the slightest loosening to crack.

Trust Houses Forte's share price touched a new high of 27 1/2 yesterday morning after the company announced pre-tax profits growth of 46 per cent at £55.5m.

Despite the strong start to the current year and improvements in the balance-sheet TEF, which employs over 50,000 people, cannot be looking forward to its pay negotiations in May.

Badly affected by strikes, the halved interim profit provides a base for no more than about 27m pre-tax in the current financial year, where the prospective p/e must be standing in the middle twenties.

The discrepancy of around 10 per cent between the voting shares and the unfranchised equity (surely an anachronism) may yet prove significant but in an historic context a voting premium of this magnitude is not wildly out of line.

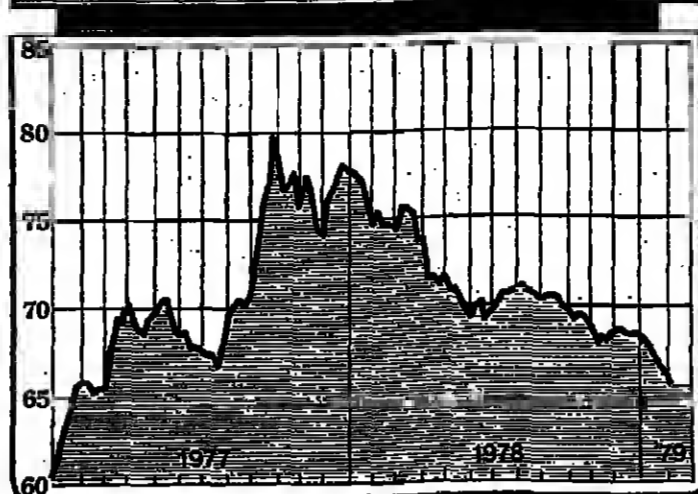
At the other end of the ratings scale, Lonrho, which announced pre-tax profits of 31 per cent higher at £85.6m, is selling on a p/e ratio of around 3 and yielding just under 16 per cent on an unchanged gross dividend.

Camrex steps back

It is over 10 years since Lord Kearton opined that the UK paint industry should be rationalised but plans to merge two companies in the North Eastern corner of the country are still in abeyance.

But these difficulties looked surmountable and it seems that both sides had been talking amicably about the benefits of a merger.

Government Securities Index



Stock Exchange is now undertaking a preliminary investigation into dealings over the relevant pre-bid period—and the ensuing confusion forced both sides into what the Camrex camp now admits were "hasty decisions."

With a near 30 per cent holding in Dufay, Camrex is clearly in a position to keep a watching brief on its erstwhile target.

At the other end of the ratings scale, Lonrho, which announced pre-tax profits of 31 per cent higher at £85.6m, is selling on a p/e ratio of around 3 and yielding just under 16 per cent on an unchanged gross dividend.

These must be classed as once only benefits but the market is prepared to believe that the underlying growth pattern can be sustained at the pre-tax level.

Despite the strong start to the current year and improvements in the balance-sheet TEF, which employs over 50,000 people, cannot be looking forward to its pay negotiations in May.

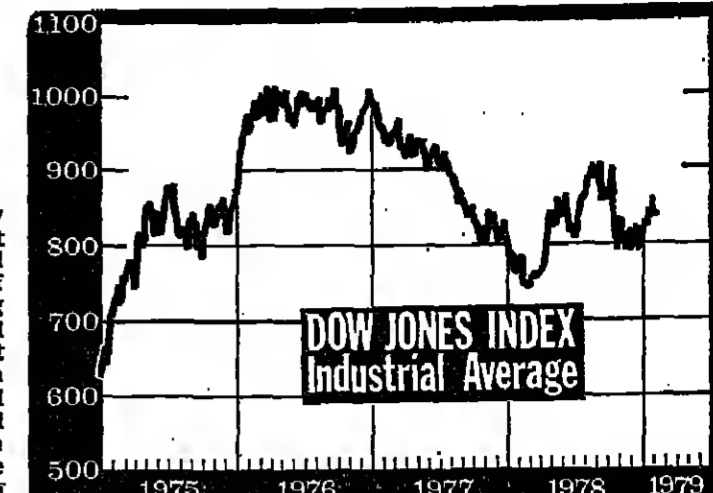
NEW YORK JOHN WYLES

INVESTMENT in stocks is very much an "if only" exercise, at least for those seeking capital appreciation as a source of thrills and wealth.

If only someone would get the machinery right, then progress would be inevitable and victory and personal gain assured.

As January drew to a close this week the market began to appear increasingly breathless and fatigued and the rally which had added more than 50 points to the Dow Jones Industrial Average was seeming to grind to a halt.

As January drew to a close this week the market began to appear increasingly breathless and fatigued and the rally which had added more than 50 points to the Dow Jones Industrial Average was seeming to grind to a halt.



followed the St. Louis Bank's lead then the credibility of this downward drift is so important short term interest rate would have been strengthened.

January went out with an agitated cry on Wednesday, partially because Chase was left, and still remains, in virtual isolation as the only major bank to have cut its prime for the first time in more than two years.

Since this time last year the Dow has risen by 8.5 per cent but as ever this modest improvement masks some spectacular performances by some individual stocks.

U.K. INDICES

Table with columns: Average weeks to, Feb, Jan, Jan 79. Rows: Govt. Secs, Fixed Interest, Indust. Ord., Gold Mines, Do (Ex \$ pm), Dealings mld.

TOP PERFORMING SECTORS IN FOUR WEEKS FROM JANUARY

Table with columns: Sector, % Change. Rows: Mining Finance, Overseas Traders, Packaging and Paper, Investment Trusts, Property, All-Share Index.

THE WORST PERFORMERS

Table with columns: Sector, % Change. Rows: Textiles, Insurance (Life), Contracting, Construction, Pharmaceutical Products, Motors and Distributors, Office Equipment.

CLOSING INDICES

Table with columns: Day, Close, Change. Rows: Mon, Tues, Wed, Thurs, Fri.

Why investment conditions continue to favour the Save & Prosper Property Fund

Throughout 1978 capital values of commercial and industrial properties moved ahead as rents continued to rise. Rental growth - in some cases up by 30% - was particularly marked in shop properties where increased consumer spending led to buoyant conditions.

Such increases in rental values have been and are likely to continue to be of particular benefit to the Save & Prosper Property Fund which has 45% of its assets in prime shop properties and a further 30% in offices.

Rental growth has also reinforced demand from insurance companies and pension funds for prime commercial and industrial property. Many investment managers are pursuing a policy of building up their property holdings to 30-35% of their assets - a figure that many private investors might also consider appropriate.

Despite the sharp rise in interest rates during 1978, yields from prime property have remained remarkably stable, reflecting the current shortage of such properties. With the prospect of only limited increases in the supply of prime property, we believe that the Save & Prosper Property Fund currently offers an attractive investment opportunity.

Past performance

Since the launch in 1971 the fund has performed well, allowing a 78.9% increase in the offer price of units to 30 1/2. Its performance against the Money Management Property Bond Weighted Index, which was started in 1973, is shown opposite.

EVERYTHING ELSE YOU SHOULD KNOW

Units in the Property Fund are divided into units which are normally redeemed for cash. The offer price is the price at which units are sold to you. The bid price is the price at which units are bought back by the fund.

PROPOSAL FOR AN INVESTMENT BOND LINKED TO SAVE & PROSPER PROPERTY FUND

SAVE & PROSPER INSURANCE LTD. 4 GREAT ST. HELENS LONDON EC3P 3EP TEL: 01-564 8338 Registered in England No: 322226. Registered office as above.

MARKET HIGHLIGHTS OF THE WEEK

Table with columns: Index, Price, Change on Week, 1978/79 High, 1978/79 Low. Rows: Ind. Ord. Index, Government Secs. Index, Aeronautical & General, Alpine Holdings, BAT Inds., Bolton Textile, British Car Auction, Caledonian Holdings, Castlefield, Chaddesley, East Lancs. Paper, Glenfield Lawrence, IDC, RTZ, Roan Consolidated Mines, Stock Conversion, Whessoe, Williams & James, Yarrow.

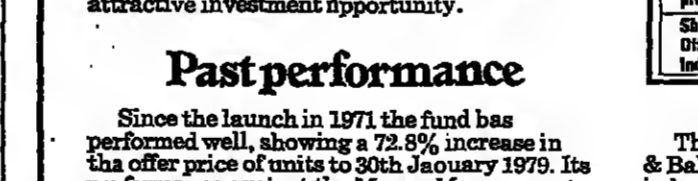
High-ho Silver

SILVER speculators are smiling again after a long period of discontent. While the surge in copper and lead prices on the London Metal Exchange this year has captured most of the headlines, silver prices have moved to record levels with a rise of over 30 per cent (from 285p to 334p an ounce) in the past three weeks.

The sharp rise in base metal prices which will have more important repercussions for industry, has been one of the influences pushing the cost of silver up too. But it also seems that silver on its own account is now finding favour again with investors.

Last year investors shunned silver in favour of gold and platinum, whose prices rose spectacularly. U.S. speculators exercised their new found freedom to buy gold instead of silver as a substitute, while a shortage of supplies boosted platinum.

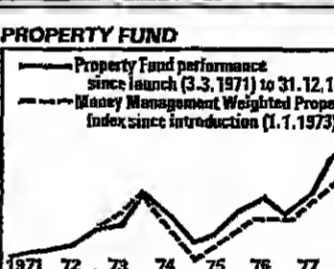
However, there are increasing doubts whether the rise in gold and platinum can be sustained to much higher levels, so speculators are taking another look at silver. It is argued that silver, as a traditional "hedge" against inflation and currency changes, has become very much undervalued and needs to catch up with its fellow precious metals.



At the same time it is an important industrial metal. Photography is the largest single outlet but it also has big sales to the electrical industry, and for alloys, electroplating, and tableware.

New production of silver, which is mainly produced as a by-product in the mining of other metals, is well below annual consumption. Last year, for example, silver mine output was only 265m ounces against consumption of 423m ounces. A large proportion of silver used for films is recovered to be used again, but nevertheless there is a substantial supply deficit each year.

However the fundamental shortfall in production is offset by the "mine above the ground" - the huge stocks of silver built up over the centuries in coinage and by hoarding, especially in Far Eastern countries.



Our policy has always been to invest in medium-sized prime properties in carefully selected locations. Such properties are usually in demand when economic conditions are good, and they tend to remain marketable during difficult times.

The fund now has a well-balanced portfolio of 61 properties throughout Britain, and is currently valued at £35 million.

Table showing Analysis of fund by type of property: Shops (30%), Offices (10%), Industrial (10%), Cash (50%).

Table showing Analysis of rent reviews: Type of property, Number, 1978, 1980, 1981, 1982, 1983, After 1983.

About Save & Prosper

Save & Prosper Group was founded in 1934 and in addition to being Britain's largest unit trust group is also a major force in life assurance, pensions and annuities.

At 1st January 1979 the group managed £923 million on behalf of some 700,000 investors.

5% p.a. free of tax at the time

If you invest £1,000 or more you can withdraw up to 5% of your initial investment each year for 20 years without giving rise to any liability to tax during the period. This is a feature of particular interest to higher-rate and additional-rate taxpayers. Further details on the tax position are given below.

In using this facility you should bear in mind that any rate of withdrawal that exceeds the growth rate of your investment will result in a decline in the value of your investment.

How to invest

A lump-sum investment in the Property Fund is made through the medium of a single premium life insurance policy - the Save & Prosper Investment Bond. You can invest £250 (£1,000 if using the Withdrawal Facility) or more by purchasing an Investment Bond linked to the Property Fund. To invest now, simply complete and return the coupon below, together with your cheque. Once your proposal has been accepted we will send you a policy document normally within ten days. The offer price of units in the fund on 30th January 1979 was 172.5p.

You can invest in the fund on a regular basis and also obtain valuable tax relief. For further details please contact your usual adviser, one of our local branches, or Customer Services at the address below.

Form with fields for Name, Address, Date, Signature, and Agent's Stamp.

SAVE & PROSPER GROUP



# FINANCE AND THE FAMILY

## The new state pension scheme

BY OUR LEGAL STAFF

I have recently joined a new company after having had several jobs in respect of which my pension rights are frozen. My new firm has little or nothing in the way of pension provisions, so I suppose it might be better for me to contract into the State scheme, as I understand the pension is awarded on the best 20 years earnings. Is this so? I understand additional voluntary contributions are tax deductible in their entirety. Could I arrange with my employer and an insurance company to make such eligible payments? I have read that it is not worth an employee's while to make voluntary contributions if he may move and that he would be better advised to put his money into some form of endowment policy. Do you agree? You are automatically in the new State pension scheme (the "Castle" scheme) unless your employer has a pension scheme that is better than Castle, and has elected to contract you out. There is nothing to prevent him running a pension scheme on top of Castle and the State flat rate scheme. From what you say, your employer offers "little or nothing" in the way of pension and so we presume that you must be in the Castle scheme. The Castle scheme only provides benefits for service after April, 1978. You do not state your age. If you are 40 or more

you will only get 1/80th of your earnings in excess of £19.50 per week for each year you contribute and earnings in excess of 7 x this figure are ignored. These earnings are, it is true, revalued but then so is the first tier of earnings that does not count for Castle pensions. It is only if you have more than 20 years to go until age 60 that your pension is based on the best 20 years. This is because service in excess of 20 years does not count for Castle. It is only possible to pay voluntary contributions if you are actually in a scheme run by your employer and if that scheme provides the facility. If you are not in a scheme then you can go to an insurance company and pay self-employed contributions. Intrinsicly, both voluntary contributions and self-employed retirement annuities might be better investments because you get 100 per cent tax relief on your contributions and these contributions when invested earn interest, dividends, etc. free of tax. What you have read relates to special circumstances only. A senior executive, for example, who is in a powerful position to negotiate a special deal with an employer giving the Inland Revenue maximum pension as part of his service agreement, gains nothing by paying voluntary contributions because any pension bought by voluntary contributions is knocked off the amount the Revenue allows his employer to provide him. A

young employee in a 60ths final salary scheme expecting to complete 40 years and so get the Revenue maximum (40/60ths) would likewise gain nothing. For the majority of people it makes sense to pay voluntary contributions or buy a self-employed policy. An ordinary endowment does not give such a good deal but you can surrender the policy, use it for borrowing or other purposes before retirement. The choice, therefore, depends upon personal needs and circumstances.

### Foreign land, loans and taxes

Is the interest on a loan raised to purchase land outside the UK eligible for tax relief? Are the subsequent annual taxes payable on the land to the foreign tax authority eligible to be offset against UK income tax? If one of both of these are allowable and have not been claimed, how far back can one go—4 years? You presumably have a specific situation in mind and, as the rules are complex, it is difficult to give you an answer of reasonable length without more precise facts and figures. We take it that you have read the free Inland Revenue booklet (IR11) on the tax treatment of interest paid, which has been mentioned in our columns from time to time.

From your final question, we infer that the loan was taken out before March 27, 1974. That the interest is payable to a being so, and on the assumption leader who is not resident in the UK, the interest should be deductible from the rent, etc., from the land in arriving at the income assessable under case V of schedule D, up to and including 1979-80 (by virtue of the current version of section 122(1)(c) of the Income and Corporation Taxes Act 1970). The preceding-year basis may, of course, give you relief up to 1980-81.

### Preference share gains

On some ordinary shares I held, I received in 1966 a capital issue of 7 1/2 per cent preference shares. These I sold in 1977 and showed the amount realised, £24, in my return for that year and the cost as nil. In 1977-78 I sold by holding, and the Tax Inspector drew attention to the preference issue which I had not shown in my 1977-78 return. I explained I had already shown this in 1966, but he has ignored this and adjusted the original price of the shares to take account of the capital issue. Is this right? It would have been easier to help you if you had given us more precise facts and figures. At one point you say you sold the preference shares in 1977, but elsewhere you imply that you sold them soon after their issue in 1966. If the £24 chargeable gain which you mistakenly returned for the preference shares was included in an assessment made on or after April 6, 1972, you should now claim relief for the tax year in question, under section 33 of the Taxcs Management Act 1970. On the other hand, if the relevant assessment notice was issued on or before April 5, 1972, your only line of approach appears to be to point out to the inspector, £24 in my return for that year and the cost as nil. In my return, he agreed that only a negligible (effectively zero) proportion of the cost etc of the original shares be apportioned to the preference shares and that he cannot resile from that agreed apportionment at this late stage.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

### Gains on shares and unit trusts

With reference to your reply under Gains on Shares and Unit Trusts in your issue of January 6, I should appreciate some clarification concerning the treatment of allowable losses carried forward. An article in your issue of December 23 by Eamonn Fingleton on "Bed and Breakfasting Unit Trust and Investment Trust Shares" was most informative, but warned of the intricacies of the new CGT rules, but it would seem that gains solely from the sale of Unit Trust and/or Investment Trust shares up to a maximum of

£5,760 will not attract CGT.	Losses	10,758
I have approximately £5,000 allowable losses carried forward and an estimated £5,000 gains on paper from investment trust shares which I am proposing to "Bed and Breakfast."	Taxable amount	5,758
Can you please tell me whether the £5,000 losses carried forward can be used to set against any gains arising from the sale of ordinary shares either during the year 1978-79 or subsequently?	Zero on the first £1,000	15% on the next £4,000 = 600.00
The point raised in your inquiry was discussed in a reply published in the Business Problems column on October 13, under the heading "Setting losses against gains," as well as in replies published in the Finance and the Family	50% on the top £ 758 = 379.00	
column in 1977 (on May 7, June 4, July 30, September 3 and October 29). The answer, briefly, is that we see nothing in the CGT legislation—from section 20(4) of the Finance Act 1965 to section 44(4) of the Finance Act 1978—which compels you to waste CGT losses by deducting them in assessments which would carry no tax liability anyway.	Less:	978.00
If possible, we suggest that you realise £5,000 non-qualifying gains this year (by bed-and-breakfasting transactions, if you wish), as well as the £5,000 qualifying gains—on the assumption that all your investment trust shares are fully qualifying shares, as defined in section 112 (2 and 12) of the Finance Act 1972. This will	17% credit on £5,758 = 978.86	
	Nominal CGT liability	£ 0.14

### At last, a change of heart

SUDDENLY, it seems, we are in the midst of a base-metal boom. In fact, as the accompanying graphs show, the recovery in prices of lead, copper and zinc has been going on since early last year and what is happening to them at the moment must reflect to some degree a burst of speculative activity on top. Not all metal prices are moving ahead. Tin has been coming down after its previous heady climb while nickel is still in the doldrums and iron remains a buyers' market. Copper, as

Although U.S. economic indicators, for example, are not particularly encouraging at the moment it cannot necessarily be assumed that the revival in metal prices is premature. After all, prices are only beginning to reach realistic levels in the light of present circumstances: the current U.S. copper price of around 84 cents per pound is still well below that required to justify the development of a new mine. What seems to me to be more important is that the awaited change in basic thinking appears to have taken place. Only a month or two ago, the mining industry was still thinking in terms of mere survival while metal consumers saw no need to finance stocks. Both sides realised that the picture would eventually change and now they are thinking in more positive terms. Already mine earnings have moved ahead from their previously marginal—or sometimes non-existent—levels. And the change in heart has been underlined by results from the transatlantic resource companies this week. Towering above them all have been the earnings of the greatly diversified Anax in which London's Selection Trust has a stake of 8.3 per cent. After a buoyant fourth quarter when Anax made \$60.8m (£30.5m) the total net earnings for 1978 have climbed 34 per cent to a record \$160m, or \$4.14

per share. Earning more for the U.S. group have been molybdenum, copper, coal, iron ore, oil and gas. Less has been made from lead—because of the strike at the Missouri operations—and zinc while nickel has made a loss, albeit less than in 1977. Mr. Pierre Gousseland, the Anax chairman, has forecast that earnings will be even better this year, "barring the unlikely prospect of a severe disruption in the economy." Shareholders will thus be hoping that Anax will further reduce its purse-strings: the current quarterly dividend rate was raised to 55 cents from 43 cents in October last year. The first increase since December, 1974. Another major metal concern to scent a change in the wind has been the Anglo American Corporation group's Canadian producer of copper and zinc, Hudson Bay Mining and Smelting. Following its last quarterly payment of 20 cents in September 1977, Hudson Bay is returning to the dividend with a quarterly distribution of 10 cents (42p). "In the light of improved metal prices and the current outlook," Freeport Minerals has announced buoyant fourth quarter earnings of \$9.39m which make a 1978 total of \$31.3m compared with \$21.2m in 1977. More good news from the metal miners has to be on the way, but at this stage in the game an investor should play on the safe side and go for the shares of the major diversified companies.

In the UK he could do worse than gather the strength of Rio Tinto-Zinc around him. There is no dollar premium to be paid on the shares and they have the advantage of being exempted from UK dividend limitation because of the company's large overseas earnings. The pending results for 1978 may not be brilliant, but they should be better than seemed likely at the half-way stage. Finally, let us not allow our hopes for base-metals to eclipse those for the gold producers which remain in a buoyant earnings phase. This year could see some exciting new developments in the South African scene. This week we have learned that Western Deep Levels is considering a \$300m (£175m) gold expansion programme which would involve opening up the neighbouring Ultra Deep Levels area. Also known to be under consideration is a possible new gold mining expedition to the north of West Driefontein and East Driefontein mines. Clearly, a great deal depends on the likely course of the bullion price, but it is keeping up well despite the large sales by the U.S. Treasury. Mr. Robert Guy, one of the leading figures in the London bullion market and a director of N. M. Rothschild and Sons, has forecast that the revival of the metal miners has to be on the way, but at this stage in the game an investor should play on the safe side and go for the shares of the major diversified companies.

1978 saw a final profit for FSL subscribers of 200% on Bourne & Hollingsworth, taken over at 235p; of 240% on uniform manufacturers J. Compton Sons and Webb, taken over at 74p; and of 51% in just three months when we revealed (for FSL subscribers only, of course) our "exclusive" on the investment charms of Alliance and Dublin Gas. That's just a selection, of course, but we promise to send you a Memo detailing how every single one of our recommendations of the last two years has fared, both our ups and downs. Don't miss, then, our five selections for 1979. What communications company, for example, was it that was 60p, but had that 200p look about it? What textile group is now producing record profits, but is still on a p/e of 3, yields 11%, and has assets of twice the share price? STOP PRESS: in fact, since publication of our "five for '79" the textile company has received the take-over approach so the price is already up 35%, though we can't really claim any credit for that. Continue the New Year in the right way. Find out just why FSL is deservedly Britain's longest established Newsletter. Send NGW for your FREE copy of FSL. Just fill in the coupon below.

To: FLEET STREET LETTER, 3 Fleet Street, London EC4Y 1AU  
 Name .....  
 Address .....

Please send me a FREE copy of FSL today, without any further obligation.

# Schlesinger American Investments Limited

## Interim dividend

The directors have declared an unchanged interim dividend for the current year to 30th April 1979 of 3p gross per share, subject to Jersey income tax at the rate of 20%, payable on 31st January 1979. Comparable figures for the previous year and the yield are shown in the table below. The net assets of the Fund expanded from £4,365,330 on 30th April 1978 to £4,990,124 on 31st October 1978.

Net income for 6 months to 31 October 1978	£285,967
Interim dividend for the year to 30 April 1979	3p per share
(The final dividend for the year to 30 April 1978 was 4.25p per share, making the total for the year 7.25p per share).	
Dividend Yield	9.06%
(based on historic dividend and current offer price of 80p).	

## Company background

The Company is designed to provide residents of the Channel Islands, Isle of Man, Eire and the U.K. with a quality portfolio of American securities, giving an exceptionally high yield.

This high yield is achieved by using Gilts to neutralise the foreign currency loan facility (used to reduce the risk of the dollar premium). Yield as well as risk reduction is improved by the use of U.S. traded options, particularly through the Company's heavy investment in Schlesinger American Options Limited, a Bermudian investment company with similar aims which is designed for non-resident investors.

Shares are issued and redeemed at prices based on net asset value. The shares of the Company are listed on The Stock Exchange in London. Shareholders receive the Schlesinger "PIMS" Service.

A copy of the full prospectus of the Company, the PIMS report and the latest report and accounts, on the basis of which alone applications for investment will be accepted, may be obtained by writing to:

The Secretary,  
 Schlesinger International Management Limited  
 41 La Motte Street, St Helier, Jersey, Channel Islands.  
 Telephone: Jersey (0534) 73588.

# What kind of share manager would you make?

Perhaps you'd make a very good share manager. If you had the time. But today's economic climate makes the expert management of shares, more than ever, a full time job. And that's why you benefit by exchanging your quoted shares for Canlife units. Our professional share managers are able to give you investment the kind of up to the minute attention demanded by present market conditions. What's more, when you exchange your shares, you'll get preferential terms and the advantages of a broadly based portfolio by investing in one of the two Canlife Unit Trusts. The General Trust aims to secure an attractive balance between growth of capital and growth of income, while the Income Trust is aimed toward greater income with good prospects of long term growth. Remember that the price of units, and the income from them, may go down as well as up. In addition, an investment in Canlife Units offers certain Capital Gains Tax advantages. As part of The Canada Life Group, currently managing assets in excess of £1,000 million, Canada Life Unit Trust Managers can call upon a wealth of investment experience which reaches back 130 years. So send in the coupon for details of our share exchange scheme. And benefit from the investment experience of The Canada Life through Canlife Unit Trusts.

To: Canada Life Unit Trust Managers Ltd., 6 Charles II Street, London SW1Y 1AB. Telephone: 01-480 8122.  
 Please send me details of the Canlife Share Exchange Scheme.

Name .....  
 Address .....

## Canlife units

Experience—where experience counts.  
(An investment in a unit is not the same as the purchase of a share) FT 3/2/79

## School Fees: A new approach

If you're in the top tax bracket, there's a new school fees plan designed specifically for people in your situation. It's based on a little known tax scheme (NOT a charitable trust) and it can produce tax savings substantially greater than with just about any other scheme—as well as providing the added security of life assurance cover. If you think crippling taxation will rob your children of a private education, think again—and fill in the coupon.

To: Ian Ludless Associates, 36 Baker Street, London W1.  
 Tel: 01-439 8171 (34 br Ansafone 04867-3618)

Name .....  
 Address .....

Top marginal tax rate .....  
 Present age of child(ren) .....  
 Bus. tel. no. .... Home tel. no. ....

FT 3/2

# Family Bonds

Invest in Government Stocks and Equities FREE OF TAX

Family Bonds are completely exempt from income tax and capital gains tax. They offer you the way to invest in a tax-free fund—which has an advantage of about 40% over taxed funds. Furthermore, there is an extra investment and tax advantage if you invest before 6th April. The maximum investment currently allowed is £10 a month or £120 a year (if you are under 45) and £11 a month or £132 a year (if you are over 44). Alternatively, if you want to invest a lump sum of about £1,000 now, you can fund your annual premiums at a discount of about 25%. The Family Bond is a unique unit-linked investment, available only to family men and women. Naturally, unit prices can fall as well as rise; however, as the investment is completely tax-free, the value of your Bond can be expected to grow by at least 12% p.a., which would more than double your money over ten years. Indeed, the growth to date has been at an even faster rate. If you would like further details, please complete the coupon and return it to us—no stamp is required.

Julian Gibbs Associates Limited, Freeport 1, London W1E 2QZ, or telephone 01-487 4195  
 Please send me details of the Family Bond.

Name ..... FT9FD  
 Address .....

Tel: Day ..... Home .....  
 Tax Rate ..... Date of Birth .....

### UNIT TRUST AND INSURANCE OFFERS

Canada Life Unit Trust Managers Ltd.	Page 6
Chieftain Trust Managers Ltd.	7
Craigmount Unit Trust Managers Ltd.	7
Gartmore Fund Managers Ltd.	8
M & G Group Ltd.	1
Save and Prosper Group Ltd.	5
Schlesinger Trust Managers Ltd.	6

### FINANCE FOR INDUSTRY TERM DEPOSITS

Deposits of £1,000-£50,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received not later than 16.2.79.

Terms (years)	3	4	5	6	7	8	9	10
Interest %	12 1/2	13	13 1/2	13 1/2	13 1/2	13 1/2	13 1/2	13 1/2

Deposits to and further information from The Chief Cashier, Finance for Industry Limited, 91 Waterloo Road, London SE1 8XP (01-828 7822, Ext. 177). Cheques payable to "Bank of England, a/c FFI." FFI is the holding company for ICFG and FCL.



## DON'T INVEST UNTIL YOU HAVE SEEN THE FLEET STREET LETTER'S 5 SHARES FOR 1979

1978 saw a final profit for FSL subscribers of 200% on Bourne & Hollingsworth, taken over at 235p; of 240% on uniform manufacturers J. Compton Sons and Webb, taken over at 74p; and of 51% in just three months when we revealed (for FSL subscribers only, of course) our "exclusive" on the investment charms of Alliance and Dublin Gas. That's just a selection, of course, but we promise to send you a Memo detailing how every single one of our recommendations of the last two years has fared, both our ups and downs. Don't miss, then, our five selections for 1979. What communications company, for example, was it that was 60p, but had that 200p look about it? What textile group is now producing record profits, but is still on a p/e of 3, yields 11%, and has assets of twice the share price? STOP PRESS: in fact, since publication of our "five for '79" the textile company has received the take-over approach so the price is already up 35%, though we can't really claim any credit for that. Continue the New Year in the right way. Find out just why FSL is deservedly Britain's longest established Newsletter. Send NGW for your FREE copy of FSL. Just fill in the coupon below.

To: FLEET STREET LETTER, 3 Fleet Street, London EC4Y 1AU  
 Name .....  
 Address .....

Please send me a FREE copy of FSL today, without any further obligation.

سكنا من الفصل



# COLLECTING

## The Biedermeier interior

BY JUNE FIELD

BIEDERMEIER furniture of the early 19th century is sturdy and sensible, with good clean lines, ideal for everyday family living. Occasionally though it lapses into the grotesque, as in robust, top-heavy pieces ornamented with heavy gilt bronze mounts, stamped brass sheets, embossed columns, fussy pediments and so on.

The term Biedermeier, which applied to the whole life-style of German-speaking countries during the years between Waterloo and the revival of the rococo, is a combination of *bieder*, plain, unpretentious and inoffensive, and *meier*, one of the most common German surnames. (So a Biedermeier is an honest upright citizen, irreproachable and solid.) The name was given to an imaginary poet invented by Heidelberg physician and university teacher Adolph Knissmuller and Ludwig Eichrodt, chief district judge in Lahr, Knissmuller being in-

spired by the poetry of a village schoolmaster Samuel Friedrich Sautter, to write ironical poems in Sautter's style under the pseudonym Gottlieb Biedermeier. He made his first appearance in 1853, and from 1855 appeared regularly in the humorous journal *Fliegende Blätter*.

It was not until the 1890s that Biedermeier became the accepted term for the decorative arts of the early part of the century, a description at first mocking and derogatory—Fritz Minkus, a contemporary writer called it "a style whose main characteristic is its lack of style—or infinite dullness—and irredeemable tastelessness which we have long since considered beneath us and held up to ridicule."

Interest in what above all is a typically *gemütlich* and homely way of living, has been revived this week by the opening of a remarkable exhibition

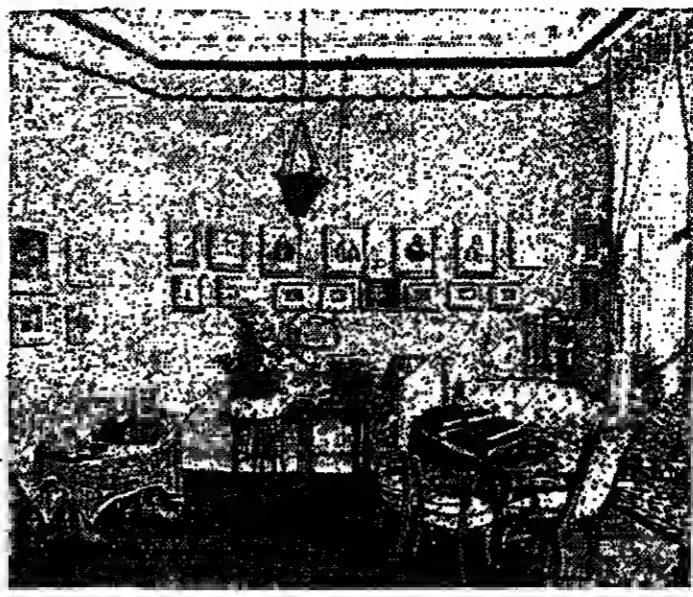
at the Victoria and Albert Museum until April 1—*Vienna in the Age of Schubert—The Biedermeier Interior 1815-1848*. The organisers, the Museum of Applied Arts in Vienna, a daughter institution of the V. and A. have chosen Franz Schubert (1797-1828), as an appropriate musical patron because his works were mostly for a small number of amateur musicians to appreciate and perform at home. (Perhaps this may account for the fact that when he died, aged 31, his possessions were valued at only 63 Vienna florins, £2 10s).

In this Vormärz period, restricted by political constraints and the invariable inter-vention of government censorship in all areas of daily life, first the middle classes and then the aristocracy turned their backs almost completely on public life. Writing in the lavish catalogue, exhibition organiser

Dr. Christian Witt-Döring points out: "The consequences of this was refuge in a peaceful and sheltered domestic life within the family, in which sufficient space and time was given over to the cultivation of personal interests. Among the basic features of this highly developed family culture were the organisation of family musical evenings and domestic cultivation of the arts. (A) harmonious family life which, organised into a private, self-contained little world of its own, helped give their lives meaning."

Adalbert Stifter (1805-68), in his novel *Nachsommer*, designated "pure family life" as "the greatest happiness."

The living-room, the focal point of the family, was accorded such a degree of significance and importance that it now became an independent theme in painting, so demon-



In the Victoria and Albert Museum's exhibition "Vienna in the Age of Schubert—the Biedermeier Interior 1815-1848," a watercolour of a typical Biedermeier living-room, showing the arrangement of the furniture to provide *Wohnnischen* (activity centres), for individual interests of the family.

strating an important characteristic of Biedermeier man, who was very anxious to document and record his beloved and familiar environment.

The formation of *Wohnnischen* (activity areas)—the arrangement of various groups of furniture in accordance with the different interests of individual members of the family—were obviously the forerunner of Victorian English "cosy corners." Bedrooms doubled as private sitting-rooms for parents, fitted out with a comfortable chair or couch and writing table. A delightful watercolour by Johann Stephen Decker in the exhibition shows a typical dressing-room of the period, whose furnishings included a particularly useful item, a *Taschenleher* (pocket emptier), also called a *Servante* (small gins chair), on which the contents of the pockets when undressing could be stowed away.

Collectors and historians should certainly have a copy of George Himmelheber's scholarly book *Biedermeier Furniture* (Faber and Faber 1974, £17.50, newly bound, and still in print).

It is the definitive work in English which sparked off interest in the whole Biedermeier ambience, documenting the original exhibition put on by the Vienna Museum in 1896 which marked the beginning of a new and more objective attitude towards Biedermeier. The excellent catalogue of the new exhibition at the V. and A. brings fresh light on the leading Viennese cabinetmakers Benedikt Holl (1753 or 5-1833), and Josef Ulrich Danhauser (1780-1829), originally a sculptor by training, together with his eldest son, distinguished painter Josef Franz Danhauser (1805-1845).

Biedermeier furniture does get into auction from time to time—there were eight lots due to come up at Sotheby's yesterday, and on Thursday Christie's have two work tables, a dressing table, secretary and six walnut dining-chairs in their Continental furniture sale. The estimates of between £150-£400 on each item, do not seem untoward even though the pieces are only attributed to style rather than designer or country of origin.

## How to avoid the comprehensives

BELOW the word "Headmaster" on Donald Mathewson's study-door in the Allhallows independent school in south-east Devon is a fair copy of the "Headmaster's" letter to the Marketing Manager. "The reason is that, having identified what he sees as two kinds of growing consumer-need for independent schooling, he has swiftly organised Allhallows to supply them."

"It all began when I noticed an increase in the number of parents wanting to move their children from the State to the private system at the end of their primary schooling," he said this week.

In most instances, these parents had been satisfied with local authority education up to the 11-year-old stage, but were worried about sending their offspring on to comprehensive schools.

No doubt the majority of people working in education would summarily convict such parents of social snobbery. But for families realistic enough to have noted that a successful record in education is fast coming to have a dominant influence on a youngster's career prospects, there is evidently a rational argument for avoiding comprehensives.

I am beginning to suspect that the same child would have less likelihood of being so motivated in a comprehensive school than in one of the selective kind. The suspicion rests on a well observed general tendency among children to prefer being in the swim even if it means working hard to "be out of the swim." So it would seem to

and risk of transfer at the end of State primary schooling, he has set up a selection procedure for the 11-plus age group.

Candidates first write an autobiography and send it together with references to Allhallows. The youngsters then go to spend two days at the seaside school in Rousden where they undergo tests of their IQ and of attainment in English and mathematics and an interview on the basis of their autobiography.

Those selected are told that provided they earn favourable reports during the next two years at a preparatory school, they will be guaranteed a place at Allhallows regardless, in effect, of their results in Common Entrance. Candidates judged to be outstanding—and not just academically—could be offered financial assistance towards paying the school's £704 termly fee. Moreover, exceptional candidates could also gain modest reductions in the fees of several of the 20 or so prep schools which Mr. Mathewson, having no directly linked preparatory establishment, has so far persuaded to associate themselves with the scheme. The first tests will be held on April 20 and 21.

His other marketing development is intended to help parents who wish to transfer boys or girls to an independent boarding-school sixth form after they have completed the GCE Ordinary-level stage at 16-plus. Here Allhallows is to offer senior studentships to youngsters whose academic and other record as judged by references

from previous head-teachers, and performance in the autobiography-interview process are considered to merit a reduced fee.

"We'll probably give a 10 per cent reduction as of right to a boy or girl who is good, and 20 per cent in the case of one who's damned good," Donald Mathewson said. "But beyond that, if a family's finances justified it, we'd be prepared to defray up to 60 per cent of the fees."

"I can't see it would be right to give more than that," he added, "because it must cost at least two fifths of our fee level just to keep a youngster of that age in food and so on at home. I mean, they eat like horses, don't they? They simply shovel the stuff in."

of State primary schooling, he has set up a selection procedure for the 11-plus age group.

Candidates first write an autobiography and send it together with references to Allhallows. The youngsters then go to spend two days at the seaside school in Rousden where they undergo tests of their IQ and of attainment in English and mathematics and an interview on the basis of their autobiography.

Those selected are told that provided they earn favourable reports during the next two years at a preparatory school, they will be guaranteed a place at Allhallows regardless, in effect, of their results in Common Entrance. Candidates judged to be outstanding—and not just academically—could be offered financial assistance towards paying the school's £704 termly fee. Moreover, exceptional candidates could also gain modest reductions in the fees of several of the 20 or so prep schools which Mr. Mathewson, having no directly linked preparatory establishment, has so far persuaded to associate themselves with the scheme. The first tests will be held on April 20 and 21.

His other marketing development is intended to help parents who wish to transfer boys or girls to an independent boarding-school sixth form after they have completed the GCE Ordinary-level stage at 16-plus. Here Allhallows is to offer senior studentships to youngsters whose academic and other record as judged by references

### EDUCATION

MICHAEL DIXON

### TAX ADVANTAGES

You may surrender your Bond whenever you wish without incurring any liability for Basic Rate Income Tax or Capital Gains Tax (and without any surrender penalties or charges).

However, if you have made a very large gain, or if you have a high income at the time you surrender, there may be a liability for Higher Rate Income Tax or Unearned Income Surcharge.

About this point, though, it is worth consulting a financial adviser, for with careful planning these taxes may be reduced or avoided altogether.

### GENERAL INFORMATION

Income facilities. As mentioned, the Managed Equity Income Fund will pay an income of 5% net per year automatically.

From other Funds you may arrange automatic withdrawal of whatever amount you require—although it is advisable to keep the figure at 5% net p.a. or below. The reason is that, on withdrawals of over 5%, a tax charge may arise.

Life Assurance Cover. The Bond provides life cover calculated as a proportion of the selling price of your units at death. A full table is shown in the policy but examples are:

Age	Percentage Guaranteed
35	15%
50	10%
75	10%

In cases of very large investments a medical examination (at the Company's expense) may be required.

Prices and Charges. Prices are published each day. Purchases are made at the price ruling on the day following our receipt of your written instructions.

There is an initial charge of 5%, and annual charges which amount to 0.5% p.a. (0.5% p.a. on the Cash Fund).

Every May and November you will receive a report on the Bond's performance.

How to buy. To invest in a Bond complete the application form below and send it with your cheque to Chieftain Trustees.

The minimum total you can invest initially is £1,000, and the minimum you can put in any one Fund is £500 (£2,000 in the Managed Equity Income Fund).

You can take out a regular monthly Plan linked to the Funds which will give you tax relief and tax free profits. Tick the box in the coupon for details.

We will send you details of the number of Fund units allocated to you, and a full prospectus, within days; a policy document will follow shortly after.

Every May and November you will receive a report on the Bond's performance.

How to buy. To invest in a Bond complete the application form below and send it with your cheque to Chieftain Trustees.

The minimum total you can invest initially is £1,000, and the minimum you can put in any one Fund is £500 (£2,000 in the Managed Equity Income Fund).

You can take out a regular monthly Plan linked to the Funds which will give you tax relief and tax free profits. Tick the box in the coupon for details.

We will send you details of the number of Fund units allocated to you, and a full prospectus, within days; a policy document will follow shortly after.

**CHIEFTAIN TRUST MANAGERS LIMITED**  
11 New St., London, EC2M 4TP. Tel: 01-283 5953.

## THE NEW CHIEFTAIN INVESTMENT BOND

## REAL PROFIT POTENTIAL AND EXCELLENT SECURITY

These days anyone seeking to invest a capital sum whether to obtain income or capital growth, is faced by a variety of similar looking alternatives. In making a decision there are two main criteria. Firstly your investment should be in secure hands. Secondly your best long term hope of combating inflation lies in investing in profit-making companies wherever in the world they may be found.

The Chieftain Investment Bond is an exceptionally sound means of investing in such companies.

Using the range of unit trusts established by the vigorous and proven Chieftain management team, the Bond will invest not only in the UK but in any country where growth looks set to occur.

Clearly, for the investor who is serious about achieving a significant return on his money he is in the form of income or capital growth—this Bond is a fine investment vehicle.

For parallel with an active and professional investment policy, the Bond offers considerable flexibility and an unusually high degree of personal choice.

Importantly, you may switch your investment free of Tax from one Fund to another at any time—either to take advantage of changing market conditions, or to reflect changes in your own personal circumstances or aims.

You may start, for example, by investing in Funds which concentrate on an overseas market; later you may switch to one of the Funds which invests in the UK.

There is no charge for the first switch. Thereafter a charge of 1% (£10 minimum—£50 maximum) is deducted.

Here is an outline of the aims of the various Funds.

- A HIGHLY FLEXIBLE INVESTMENT**
- The investment you make in the Bond may be linked to any one or more of nine different Funds, each with a particular investment purpose. This unusually wide choice is a reflection of Chieftain's declared policy of searching out growth opportunities wherever they occur in the world.
- Of the greatest interest to the majority of investors will be the two Managed Funds, one of which aims for capital growth and the other for income. These invest in a range of Chieftain Unit Trusts with the balance altered by the managers as conditions dictate. They are for investors who wish Chieftain to decide the relative attractions of markets and sectors on their behalf.
- For the investor who wants to make his own decisions as to which markets are most attractive there are specialised Funds, each linked to one Chieftain Unit Trust investing in a specific type of share or in a specific part of the world.

**CHIEFTAIN AND BEEHIVE LIFE**

The Chieftain Investment Bond offers a unique blend of investment flair and financial security.

Whilst it is Chieftain who will be responsible for investing money, it is a wholly owned subsidiary of Lloyds Bank—Beehive Life—who will actually hold your assets, make income payments, and provide assurance cover. Your investment could scarcely be in more secure hands.

Chieftain itself is a young investment company whose vigorous management has earned it enormous respect amongst investors and financial advisers alike.

This respect has shown itself in the most genuine of all possible ways: with large sums of capital entrusted to Chieftain's investment managers. Thousands of people have invested with Chieftain and funds have grown to well over £11 million in just two years—an exceptional record of growth.

**LYOYDS BANK**

**APPLICATION FORM**

To Beehive Life Assurance Co. Ltd., 346A High Street, Chieftain, New ME4 4NP. I wish to invest in a Chieftain Investment Bond as detailed below.

If you would like to receive an income from your investment through the Withdrawal Facility please indicate the percentage required. (A withdrawal of over 5% may give rise to an immediate tax liability. Investors in the Managed Equity Income Fund will consequently be paid 5% income paid May and November.)

Amount Invested	Name of Fund	Withdrawal Facility
£		10%
£		5%
£		0%
Total Invested (maximum £100,000)		

I enclose my cheque for this amount payable to Beehive Life Assurance Co. Ltd. The minimum investment in any one fund is £500 (£2,000 Managed Equity Income Fund) and the maximum total must be £10,000.

Surname (Mr/Ms/Ms/Ms)  
First Names in full  
Address  
Date of Birth Day Month Year Place of Birth  
Are you now and have you always been in good health? Yes/No. If no, please state each detail.  
Name and address of usual Doctor.

I declare that the statements above are true and complete to the best of my knowledge and belief. The Company has my permission to obtain medical information from any doctor who has attended me or from any life insurance office to which I have submitted a proposal for life insurance and I authorise the giving of such information. I agree that the Application and Declaration together with any statements made to the Company's medical examiner by me shall be the basis of the contract between me and the Company.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
Please send me further details of the Chieftain Investment Bond.

## CRAIGMOUNT RECOVERY TRUST

### A positive view of the future

Craigmount Recovery Trust has been introduced to provide capital growth through investment in companies which, as a result of the restructuring of their activities, have the potential for significant improvement in earnings.

- In constructing the portfolio the Managers will concentrate on the potential for capital appreciation, and yield will not be their primary consideration. Individual investment opportunities will be evaluated on their potential without consideration of the size of the company. The Managers will rather concentrate their selection on the prospect for each company within its industry and the capacity of its management to bring about the conditions needed for success.
- Today's investment environment poses the question as to whether the current economic, political, and labour problems are likely to have a permanent and damaging influence on the economy. Craigmount believe that although it will take time for certain of the fundamental issues to be resolved, the overall climate in the UK is still conducive to equity investment. This belief is supported by the restraints imposed on the economy resulting from the international position of world trade and the necessity of maintaining confidence in sterling.
- The Directors of Craigmount, through a widespread network of professional advisers and corporate contacts, have immediate and comprehensive information on the UK and international markets, economic trends and company performance. They also have long experience of fund management in the UK.

Always remember that the price of units and the income from the trust go down as well as up. You should regard your investment as a long term one.

**FIXED PRICE OFFER CLOSING 16th FEBRUARY 1979**

The minimum initial investment in the Trust is £1,000. You can buy units at the initial offer price of 50 pence by completing the application form and sending it with your cheque for the amount you wish to invest before 16th February. You can normally expect to receive the certificate within a month of purchase.

After the initial offer closes, units may be bought and sold daily at the prevailing offer and bid prices which are calculated in accordance with a formula approved by the Department of Trade. Current prices and yield are published in leading newspapers. Estimated gross starting yield is 5.50%.

**Craigmount**

**APPLICATION FORM**

To Craigmount Unit Trust Managers Limited, 9/10 Finsbury Lane, London EC2M 6EH. Tel: 01-508 2222. Registered in England, number 1388224.

I enclose £1,000 for investment in Craigmount Recovery Trust at initial fixed price of 50 pence per unit. You will receive a Contract note within a few days.

I do not wish income to be automatically reinvested.

Surname (Mr/Ms/Ms/Ms) (BLOCK LETTERS PLEASE)  
First name  
Address  
Date

If you would like details of the following please tick:  
 Share Exchanges Scheme  
 Compensation North American Trust  
 Craigmount High Income Trust

This offer is not available to residents of the Republic of Ireland.



YOUR SAVINGS AND INVESTMENTS

Official red tape is threatening the big banks' freedom to provide overdrafts to personal customers, writes Michael Lafferty.

Battle of the overdraft

IS THE British overdraft about to disappear as a result of the bureaucracy of the Consumer Credit Act? The clearing banks generally have been complaining about the threat to this great British institution ever since the Consumer Credit Act bit the statute book back in 1974.

written agreement. In addition, the agreement will have to quote the total charge, or supposed "real" cost of the overdraft, as a percentage. This, the clearing banks say, is impossible since overdraft interest is calculated on day-to-day balances which cannot be determined in advance.

The only alternative may be for the banks to make use of their own "secret" credit limits, which attach to the accounts of many customers and determine when a bank may really start to return cheques. This the clearing banks are very reluctant to do because experience indicates that as many as 50 per cent

of bank customers exceed agreed overdraft limits each year. And once customers know their real limits the chances are they will continue to behave as before.

So unless overdrafts are exempted from written agreements customers will probably suffer many more "bouncing" cheques.

Another feature of the Consumer Credit Act which is giving the clearing banks headaches concerns the right of customers to ask for quotations of what a particular form of borrowing will cost. Not only is a person likely to get different quotes for the same facility depending on how each bank

sets credit limits, but rates could even vary according to whether a particular bank charges interest quarterly or half-yearly.

Nevertheless, Frank Eglin, Midland Bank's consumer credit expert, remains confident that whatever emerges will not stop the overdraft system outright. It will simply mean less flexibility in what the banks regard as the most flexible customer arrangement they have. So overdrafts should continue to be available but may have to be accompanied by much more paperwork, while bank customers may have to be more careful not to go over the limit. To this extent at least the Consumer Credit Act will increase the cost of the overdraft.

"The customer has to pay for his own protection," says Brian Washington, National Westminster's expert on the Act.

enough to fund premiums of £9.49 a month into an insurance-linked savings plan with the Chesire Building Society. After 4½ years starting in June—the first pay-out date from the stock—the plan will build up to a total of £701.50. There will be a final pay-out of just under £871 interest on the stock plus the redemption value of £1,700. This gives a total of £2,458—and you get the money two months earlier than from the certificates.

This represents an unbeatable net return of 10.7 per cent a year. The building society rates are subject to fluctuation but this makes very little difference to the sums—the main support for the high return on these plans is tax relief. For the purposes of illustration the sums ignored the fact that the Chesire, whose plans are insured by the Royal Insurance Company, takes premiums in multiples of £1. The minimum you can put in the Chesire plan is £3 a month.

The attraction of insurance plans for unit trust groups is that charges are not controlled and can be considerably higher than on direct holdings of units.

On the bond side, Chieftain's charges are highly competitive compared to most other groups' bonds—but, at 5 per cent initially and 4 per cent annually, they are still more than you would pay on a direct holding of Chieftain units.

There is a 50p policy charge on the regular savings plans and the first three months' contributions go towards expenses. Thereafter 100 per cent of your money is invested for you.

Since it was established less than 2½ years ago, Chieftain Trust Managers, under Peter Potts, has quickly established itself as a thriving central unit trust group. Now it is spreading its wings by entering the insurance-linked market in partnership with Lloyd's Bank's Beehive Life, writes Erle Short.

The timing of this move, coming in the same week as the thumbs-down for unit trusts charges to be increased, is

purely coincidental. But it is a useful pointer to the future for the unit trust industry generally in the face of tight curbs on unit trust charges.

Chieftain is not only offering investors a tax efficient regular savings route into its six individual trusts. It is also providing management of those trusts through a managed equity growth fund and a managed equity income fund, where it will mix the proportion of shares and bonds to meet current conditions. In particular, the income fund is managed to ensure that the 5 per cent withdrawal facility will be met out of income and the investor will not have to cash in units to pay for the withdrawal. One drawback of withdrawal schemes is that in a bear market the investor may eat into his capital in order to provide income.

The commission's trump card was figures for the industry's profitability which surprised many in the City. The M and G group, for instance, showed a profit margin of a staggering 46 per cent in 1977 on the Price

Freezing out the small man

THIS WEEK'S Price Commission report on unit trusts was cold comfort for small investors.

The commission firmly slapped down an application from the Unit Trust Association for higher fees for looking after unit holders' investments. The commission's reasoning was that overall the unit trust industry does well from the present charges system. The industry would probably dispute the figures on which this view was based—but in any case the commission offered no direct reply to the association's contention that small unit holdings are now desperately unprofitable.

The debate centres on the annual charge of 2 per cent of total funds under management which most unit trust groups make for managing investors' money. This means that for an investor with a holding worth £1,000 the annual charge is less than £2. Mr. Edgar Palamoutain, chairman of the Unit Trust Association, maintains convincingly that this is not enough to pay for postage, printing, stationery and other basic administration costs.

The Price Commission believes that the annual charge should not be seen in isolation but should be seen in the light of the large initial rake-off—usually 5 per cent—which unit trust managers take from the investor's original stake. The commission also points to the large profits many groups make from dealing in their trusts' units.

The commission's trump card was figures for the industry's profitability which surprised many in the City. The M and G group, for instance, showed a profit margin of a staggering 46 per cent in 1977 on the Price

Commission's definition. This expressed net profit before interest and tax against net revenue after deducting commissions and other payments made to sales agents.

Despite the commission's hostility with the profit figures the industry is sticking by its guns. So in the absence of some adjustment in annual charges, its only logical move is to squeeze out the small investor. The minimum investment is at present around £300 on average and groups like EMI Samuel go as low as £25 in some trusts. Mr. Palamoutain now reckons that £1,000 will soon be the norm.

The only ray of hope for the small investor is in the suggestion from the Price Commission

investment from official controls. Certainly, there is little evidence that investors in investment bonds, where charges are not controlled and vary enormously, shop around for the most competitive deal.

If more information on fees were available, how should the public interpret it? The level of fees for investment services can be ambiguous: low fees, for instance, may be charged by a good group passing on the benefits of its efficiency or a bad one desperate to drum up business.

But, in any case, as far as initial charges are concerned, would more variety make much difference to investors? The spread between the bid and offer prices of units is of far more interest to them. On the commission's own admission, spreads are already under close control of competition and, at around 7 or 8 per cent, are down to not much more than half the theoretical maximum allowed under Department of Trade rules. The size of a spread is as important a factor in determining unit trust groups' profits as the initial charge. The point is that where, as is often the case, units cashed in by an existing unit holder are sold on to a new entrant to the fund, the group's profit is whatever spread is involved—the initial charge matters only where new units have to be created.

Significantly, the spread on many trusts which exact the maximum 5 per cent initial charge is lower than the spread on trusts which have exceptionally a 3½ per cent initial charge. Many Save and Prosper trusts with a 5 per cent initial charge, for instance, have a lower spread than M and G's, which are on a 3½ per cent basis. The real disappointment of

the Price Commission's report was that it was so dismissive of possible alternative systems of charging incorporating flat-rate fees. A system could, for instance be devised involving a flat charge of say £3 a year per unitholder to be deducted from his income and this would be earmarked to cover the irreducible minimum costs of running a unit account however small. On top of this the group could be given a tiny percentage rake-off, say 1 per cent, to give it an interest in the success of the portfolio.

Such a system would have given the Big Six of the industry total annual fees of about £6.6m in 1977, about £1m more

Opinion

tion that the Department of Trade should eventually abandon its control of charges in favour of a system where competition kept them down. The commission's idea is that if savers were better informed they would shop around for the best charges deal.

One side effect would be that under such a regime, groups would be free to charge whatever level of fees is necessary to recover the full cost of running small unit holdings.

The trouble with the Price Commission's solution is that it is utopian. Even those who believe in the market system's efficiency in eliminating pricing anomalies in the supply of most goods and services must have misgivings about freezing such a delicate area as unit trust



Edgar Palamoutain: not enough

than they actually received under the present system.

Its advantage would be that without increasing significantly the cost to investors, it would give management groups far more incentive to run their lameduck trusts properly.

The Unit Trust Association points out that there would be considerable costs in switching over to a flat-rate system. But probably a bigger problem for the association is that it would blow wide open the association's fragile unity. Everyone in the industry has something to gain for a bigger percentage mismanagement charge—but a combination of flat-rate and percentage charges would be more favourable to some groups than others.

EAMONN FINGLETON

Money Monitor

Gilts have the edge

Any basic rate taxpayer who rushed to buy the new National Savings Certificates issue this week has thrown money down the drain. He would be far better off investing in short dated Government Securities.

The new certificates offer a return of 8.45 per cent over five years. But basic rate taxpayers can buy short-dated gilts which will show a net return of 10 per cent or more over a similar period. Investors in gilts have, of course, the benefit of having to re-invest the income that accrues if they do not need it in the interim. This can, however, be turned to your advantage if you feed the income into a high-yielding insurance-linked building society savings plan, which could boost the rate of return to as much as 10½ per cent net

of tax. Even for people paying up to 45p in the £ tax, gilts are probably a better bet. The only investors for whom the new certificates are supreme are those on really high tax rates.

The best illustration of the sort of returns now available in the gilt market is Exchequer 10 per cent 1983, which is due for redemption in December 1983 so has a term very closely comparable to that of the certificates. At yesterday's price of around 857, the return to redemption after tax and dealing costs is 9.8 per cent for a basic rate taxpayer.

Here's how the comparison looks for a basic rate taxpayer investing £1,500 (the maximum he can put in the certificates). He is sure of a pay-out total of £2,250 after five years with the certificates.

If instead he goes into Exchequer 10 per cent, he will receive a total of £1,700 nominal with some change left over. The stock will pay nearly £114 a year after tax—adding up to a total of nearly £370. So even without reinvesting the income he is assured of a total return of £2,270.

The income will, however, be

America—down but not out

On 30th December 1978, we placed an advertisement with this headline in the Financial Times. We were in fact the only group to promote the American Stockmarket that weekend.

We still believe, with equities in America standing at present levels, that they offer the prospect of substantial gains over the medium to long-term.

Gartmore, which manages over £750 million of funds, and has an office in America, is well-placed to offer you the expertise which has become so vitally important for successful equity investment.

We believe that one of the most cost-efficient ways for the private investor to purchase American equities is through the medium of a unit trust such as Gartmore American. The Trust aims to provide maximum capital growth by investment in a portfolio of American equities. The portfolio is actively managed and a balance is maintained between leading stocks and those of smaller or emerging companies with outstanding growth prospects.

Remember the price of units and the income from them can go down as well as up. You should regard your investment as a long-term one. You can invest any amount over £500. Simply fill in the coupon below and send it to us with your cheque, or consult your professional adviser.

Fill in the coupon and send it to us with your cheque, or consult your professional adviser.

Form for Gartmore American unit trust application, including fields for name, address, and investment details.

WE, THE LIMBLESS, LOOK TO YOU FOR HELP

We come from both world wars. We come from Kenya, Malaya, Aden, Cyprus... and from Ulster. From keeping the peace no less than from war we limbless look to you for help.

And you can help, by helping our Association, BLESMA (The British Limbless Ex-Service Men's Association) look after the limbless from all the Services. It helps, with advice and encouragement, to overcome the shock of losing arms, or legs or an eye. It secures that the limbless do not stand in the way of the right entitlement to pension. And, for severely handicapped and the elderly, it provides Residential Homes where they can live in peace and dignity.

Help BLESMA, please. We need money desperately. And we promise you, not a penny of it will be wasted.

Donations and information: Major The Earl of Ancaster, KCVO, TD, Midland Bank, Limited, 60 West Smithfield, London EC1A 9DX.

Golden Guineas

SINCE THE Middle Ages gold from West Africa had found its way across the Sahara to the money markets of Europe. As early as 1346 a Catalan expedition had been fitted out to go in search of the fabled rivers of gold in the almost legendary state of Ghana west of the Sudan, but it vanished without trace. A century later seaman employed by Prince Henry the Navigator rounded Cape Verde and penetrated the rich gold-bearing regions of Upper Senegal and Guinea. Direct access to gold transformed one of the poorest countries in Europe into the richest. Portugal had a head start in the economic race and fully 200 years elapsed before she was overtaken by her competitors.

English interest in West Africa developed slowly in the Elizabethan period but it was in the reign of her successor, James I, that the African Company began making serious inroads into territory hitherto dominated by the Portuguese. The Civil War was a major setback but following the Restoration in 1680 the African Company expanded its operations considerably and thereafter the volume gold bullion imported into England grew enormously.

The great increase in these imports coincided with the change from the traditional hammered gold coins to the new milled collage which made its debut in 1663. These coins were struck in the prevailing sizes and were worth 10, 20, 40 and 100 shillings.

Much of the gold used in the production of these coins came from the previous issues which were gradually called in, but an increasing proportion came from the Guinea imports. Coins struck from the latter were distinguished by a privy-mark below the king's bust, consisting of the badge of the African Company. At first an elephant alone was used but later this was changed to an elephant and castle.

The presence or absence of these privy marks can make a tremendous difference to the value of the coins, depending on the date of the issue. Coins of certain dates are extremely rare with the elephant and castle mark, while others are more plentiful in this form than the corresponding issue without the privy mark.

The new milled gold coins came to be known as guineas to distinguish them from the units of nominally the same face value. Though the guinea started its career with a value of 20s it soon moved upwards. An attempt to counteract this was the reduction of the weight of the guinea in 1870 from 181 to 129 grains but thereafter it rose steadily in value, reaching a maximum of 50s in the reign of William and Mary. The great coinage reform undertaken in 1816 helped to bring the value of the guinea down to a more realistic figure of 21s 6d. In

the reign of George II it dropped slightly, to become stable at 21s, at which value it remained for the rest of its career.

In theory England had a bi-metallic system of currency, the interchangeability of gold and silver being possible so long as the precious metals were available in sufficient quantities for the sensitive balance to be maintained.

Unfortunately, the price of silver rose uncontrollably throughout the 18th century and eventually reached a point at which coinage in this metal was produced only spasmodically. By contrast, the abundance of gold in the reigns of the first three Georges meant that guineas, their sub-divisions and multiples, were coined in great quantities. It was not until the severe strains on the British economy brought about by the protracted wars with France at the end of the century that gold gave way to paper money for the first time.

From 1797 onwards the Government sought a way out of their monetary problems but almost 30 years elapsed before a solution could be found. In 1818 Britain abandoned bi-metallicism. A new silver coinage of greatly reduced weight and only token value was inaugurated and henceforward gold alone was the legal standard of value. The adoption of the gold standard was achieved by slightly reducing the size and face value of the gold coins, and in this manner the sovereign of 20s came into being.

The guinea, no longer in general circulation, survived remarkably as money of account, and even now, after a decade of decimalisation, refuses to bow out entirely. As a collector's piece, however, the guinea and its multiples offer immense scope, spanning a period of 250 years.

The chronic shortage of silver even led to the issue of diminutive quarter-guineas in 1718 and 1762 and between 1797 and 1813 there was the third-guinea which echoed the gold nobles of the 16th century. The guinea and castle mark survived fitfully till 1726, but in the reign of George II coins from buylion supplied by the East India Company bore its initials. Of particular interest are the guineas of 1745-48—inscribed "LIMA" coined from part of the treasure seized on the Spanish Main by Admiral Anson.

Some 20 lots in Glendinning's sale of English and Foreign Coins on February 7 are devoted to guineas from Charles II to George III. Including the rare two-guineas of 1664 and a number of five-guinea pieces.

Phillips advertisement listing various antique and decorative items for sale, including furniture, silverware, and paintings, with prices and contact information.

Christie's advertisement for a collection of frozen river landscapes by Charles Leickert, including a detailed description of the artwork and sale information.

Glendinnings advertisement for the sale of English and foreign coins, medals, and military decorations, with a list of items and prices.

SPITFIRE advertisement for a hand-made solid oak period dining room suite, including a table and chairs, with contact information for the seller.



BOOKS

Outlook good

BY C. P. SNOW

Transatlantic Blues by Wilfrid Sheed, Sidgwick and Jackson. £5.50, 312 pages.

The Good Word and Other Words by Wilfrid Sheed, Sidgwick and Jackson. £6.95, 300 pages.

For some time past, people of good judgment have been telling me about the merits of Wilfrid Sheed. Somehow, until this past week, I haven't read him, except for odd articles. These two books then drilled it into me that my informants were right, and more than right. He is a real writer.

In more orthodox terms, he is one of the most interesting writers on the Anglo-American scene. In modern literary circumstances, any label is better than none, and labels stick. For the rest of his career, Sheed is likely to be classified as the transatlantic man, linked by different strands of emotion on each side, with a splendid ear for both vernaculars. He himself hasn't discouraged this bit of pigeon-holing and the hero of Transatlantic Blues, his latest novel, makes his own kind of spurious TV fame because of it.

He is English by birth. His father and mother founded the Catholic publishing house of Sheed and Ward—Masie Ward, his mother, wrote a biography,

and a good one, of G. K. Chesterton. The family moved to America in 1930, when Wilfrid was a child, but he kept the publishing firm afloat in New York, and, having retained intimate English links, Wilfrid Sheed includes a short piece about his parents in The Good Word and it is a small-scale model of delicacy, astringent taste, and affection. The father and mother are demonstrably more remarkable people than the Chatsworths in Transatlantic Blues, an English Catholic family who also moved to America, leaving behind their closest relatives, all impeccably upper-class, Catholics since Elizabeth's time (and, of course, before), becoming faded now, with a derelict stately home and all. These romantic survivors are the only serious law in a novel of hitting talent. Why is it so difficult to write plausibly about the antique Catholic upper class? They stand out like a bandaged thumb in *Brideshead Revisited*, otherwise an under-rated and mis-judged work. Sheed shows much more literary tact, but for once his touch is faulty. Maybe a non-Catholic ought to have a try.

In all other respects, the novel is fine. The central figure, once Penderic Chatsworth, now Monty by a stroke of producer's genius, is a star television performer-cum-interviewer. He describes himself, with self-loathing, as a had hand of David Frost and Norman Mailer. He is unhappy to the edge of despair. His capacity for self-loathing is inordinate. He wants to live a respect-worthy life. He wants above all to gain, or recapture, the faith which would obliterate self. He is pining to confess the treacheries of his past. Yet he



Wilfrid Sheed

is high-spirited, active with the lust of the eye and the pride of life.

A good many of the incidents are broadly farcical. I have to say that much of the praise the book has received—and it deserves high praise—seems to regard it as a hilarious romp. I found it dismayingly sad, about as hilarious as Kierkegaard in his less euphoric moments, or any other self-lacerating expression of introspective religious experience. It is black with guilt and doubt. Has any other religion in the world ever indicted its believers to this degree?

Sheed's talent is deep, sharp and narrow, as G. H. Hardy used to say a certain kind of mathematician, meaning it as an

unqualified compliment. He is constantly witty. Sometimes he is very funny. He has constructed a language of his own, made up of demotic American mingled with ironically formal English-English. This language is nicely flexible, and he can use it for all the effects he wants, in the text of his novel and also in his critical essays.

It reminds me a little of the personal language of P. G. Wodehouse, about whom Sheed writes much the most level-headed comment that has yet appeared.

There is one technical grumble. It will sound perverse. Sheed doesn't know when to be boring. Most writers, including the greatest, don't need to know this. They just are boring now and then—often without mean-

ing to be, and for too often and for far too long. But patches of what in polite professional jargon are called "rest periods," do help a novel. To be perverse once more, they make the book easier to read. Right through this novel of Sheed's, the attention is strained without any let-up, and this detracts from the reader's spontaneous response.

His essays in *The Good Word* and *Other Words* are in exactly the same vein as the novel. As he says himself, so they should be. A real writer of his excellence doesn't put on a different suit when he writes critical pieces instead of a novel. His criticism is just as deep and sharp as his fictional work, especially when he is writing of someone he has sympathy with—see the articles on Edmund Wilson, Evelyn Waugh, Thurber, Fitzgerald. I have seen nothing better on any of those. He isn't easily pleased, but is not ungenerous. It is a shade disappointing that his subjects tend to be the conventional subjects of the day. He doesn't stray from the O.K. names of the London-New York axis. That may have been due to the constraints of occasional journalism.

When he gets away from criticism and his concentration on a single writer, to whom he can give his total mind, he is not so impressive. As a rule he is entirely sensible, and writes like a cultivated man of good will, but he doesn't possess much in the way of original social insight or extended imagination. However, he can't be expected to possess everything.

Fiction

Eccentric spirits

BY ISABEL QUIGLY

Happy Endings by Julian Fane, Hamish Hamilton, 25.25, 183 pages.

Survivors Beyond Babel by Mark Ellis, Secker and Warburg, £4.50, 186 pages.

Julian Fane writes with light, exact distinction; with a memorable beauty, too. (Who, having read it, can forget his *Morning*?) The ten stories in *Happy Endings* show many aspects of a rich talent. He is particularly good at what you might call metaphor through objects. Something happens to things, reflecting a social or a moral change.

This happens in two of the stories when houses and their settings are drastically altered, modernised, gadgeted, given seed-catalogue gardens in place of the rambling places they had before. The spirit of place is strong in whatever he writes, so when this spirit is slashed, what he writes well-meaning, a weapon (cleanliness, convenience—really, as we know, some destructive instinct inherent in modern life; a demon of rationality, suggesting lucrative "improvements"), things alter with horrid speed and reality: not just houses but landscapes and not just landscapes but the people in them. The spirit of eccentricity is strong as well and an encouraging number of the stories suggest that satisfaction may turn up in failure, artistic talent in easy surroundings, and romance may flower in plainness and middle age.

Then there is description, which short stories, being short, must be wary of, yet Mr. Fane uses with virtuosity and at some length. One story is nothing but a description of the kind of horrible hotel in which old ladies can go mad without anyone noticing; another that of a pet dog, a cairn. Few tests for the writer seem harder than six and nine pages on, respectively, people and attitudes, a kind of natural morality found in, broadly, behaviour and, more, in personality. Few writers can conjure goodness, likeableness, so warmly. Finally there is his sense of nature—of natural objects, the countryside, the English landscape; lovingly, familiarly treated. These stories are

only parts of a wider world, a spilling over of exuberant gifts. They enrich, with a sort of tender bounteousness, today's skimpy urbanised experiences. So, though with less obvious talent and more strenuous-seeming effort, does Mark Ellis's *Survivors beyond Babel*, an ambitious novel and an interesting if not wholly successful one; but with its theme, what could he wholly successful? I take that theme to be a cataclysmic one, something like the collapse of our world, the end of our civilisation and the beginning of something else; the death of the world, communication through some other means. "Babel" can stand for all that and/or for the relationships between the main characters, none of whom, though their lives overlap, seem able to communicate.

Like a couple of Julian Fane's best stories, it is set in a Sussex gradually encroached upon by the new world. A family house is crumbling because the money has, across two generations, seeped away, because oo-oo does anything, decides anything, mends roofs or even keeps out intruders. Terrible loneliness besets its owner and almost everyone else. A psychotic young man is bent on his destruction. The young are beyond him, gone into another world, his young brother chief among them. This boy—already an unmarried father—is besotted with America, with Disneyland fantasies on the downs. Nothing is solved by the end, though they reach an exhausted plateau of sadness and self reproach, possibly drawing breath for a further climb. God, man and the universe are invoked. I said it was ambitious. Yes, but fairly gripping too.



Mark Ellis

Artist at large

Ronald Searle, with an Introduction by Henning Bock and an essay by Pierre Dehaye, Andre Deutsch, £14.50, 284 pages.

Ronald Searle pulled out of the British market in 1961 and settled in Paris to draw and paint only what he wanted to. The days of St. Trinian's were long over and the new intellectual Searle was already evident. The results can be seen in this sumptuous volume. Pictures in pen-and-ink, watercolour, gouache and lithograph reveal a strange imagination that interprets reality from the point of view of someone who knows it only too well but has a secret knowledge of what lies behind it. The subjects vary from pure, or rather impure, documentary, as in the pictures from Hamburg St. Pauli, to mad

imagination such as the Notes for a Rape of the Sphines (extracted by an old man with an umbrella on an unreliable bicycle).

There is sometimes more distortion in the central figures than there used to be, but the draughtsmanship is superb. The two nude figures in the first, simple line-drawing of the St. Pauli series are lovely; and a group of similar figures falling from a Napoléon ceiling to the floor of a museum is as beautiful and funny as well, besides showing off the fine drawing of the architectural background.

The book contains illustrated notes for an autobiography besides the two expert commentaries. It is excellently produced, an essential volume for any intelligent person's shelves or coffee-table.

B. A. YOUNG

Denning's discipline

BY DIANA RAWSTRON

The Discipline of Law by Lord Denning, Butterworths £8.00 and £4.50, 331 pages.

When I was a law student, the lecturer's comment "The Court of Appeal held... but Lord Denning dissenting" said I was always guaranteed to raise a laugh—but an admiring laugh. It was understood that what Lord Denning thought the law ought to be and how he was achieving that aim was of more interest than what the other two judges had held that it was. The theme of this book, published to celebrate his eightieth birthday last week, is that the principles of law laid down by judges in the 19th century, however suited to the social conditions of the time, should be moulded to meet the opinion of today. He takes some of the principles where progress has been marked and tells the story of his personal contribution to the development of the law.

The son of a Hampshire draper, Lord Denning originally read mathematics but after a short spell teaching at Winchester, he returned to Oxford to take up the law. He took a first in nine months. He was 45 when he became a High Court Judge and after four years went up to the Court of Appeal. Further promotion to the House of Lords came but in 1962 he stepped down from there, where

he has said that the odds were 4 to 1 against him, to preside over the Court of Appeal where the odds were only 2 to 1 against. The Court of Appeal also hears several hundred cases a year of which only a few go to the House of Lords. Thus Master of the Rolls he has been in a strong position to influence the development of the law than as a Law Lord.

The issues he has chosen to discuss are fascinating. A major part of the book deals with abuse of power in administrative tribunals, the executive and groups of people. He has been seen as a "upholsterer" but this is a misinterpretation. He is a supporter of personal freedom and the right to work. He applies the same principles to a trade union as to the Jockey Club. All the recent decisions of public interest are discussed and set in context. *Gooselet*, *Tottenham* and *Freddie Laker's Skytrain*.

Another section of the book shows the tremendous strides made in the law of negligence, since *Donoghue v Stevenson* (about the snail in the ginger beer bottle) was decided in 1932. Nowadays there is liability for negligent statements and economic loss as well as negligent acts and personal injury. Lord Denning has been able to achieve these and other changes because of his willingness

to refuse to be rigidly bound by the doctrine of precedent where this would cause injustice. The maxim is "Hard cases make bad law" to which he has replied "Bad law makes hard cases." In this book he shows how he has sidestepped unworkable decisions and openly admits that he has introduced into his judgments material which has not been argued before him by counsel.

The opening chapter of this book tells the young lawyer that he must cultivate command of language. In addition to clarity of expression Lord Denning has a wonderful narrative style which makes his judgments a delight to read. One of my favourite examples is in *Bolton v Crown Court*. A young unqualified clerk was employed by a firm of solicitors acting for the defendants in a pornography trial. Lord Denning tells the story "The case dragged on and on. He got exceedingly bored. He made a plan to live it up. He knew something about a gas called nitrous oxide, N2O. It gives an exhilarating effect when inhaled. It is called 'laughing gas.' He had learned all about it at Oxford. During the trial he took a half cylinder of it from the hospital car park. He carried it about with him in his briefcase."

His plan was to put the cylinder at the inlet to the ventilating system and to release the gas into court. It would emerge from the outlets which were just in front of counsel's row. So the gas, he thought, would enliven their speeches. It would be diverting for the others. A relief from the tedium of pornography. Balogh was caught before he could implement his plan and was immediately sent to prison for six months for contempt. He appealed and Lord Denning ordered his release.

Lord Denning is undoubtedly the outstanding judge of our time. He is wise and humane and thank goodness for that. If a clever judge is to shape the law for modern conditions, it must be someone with those qualities. Purists would argue that judges should have law-making powers and that such interference is intolerable. Perhaps Lord Denning has not always got it quite right. But in the book he admits his errors and this is part of his charm and greatness. He shows no signs of retiring and as he was appointed before the requirement that judges retire at 75, he has no need to do so. He sits five days a week in court and spends weekends writing his judgments. He ends his book with the words "I must get on with the next case. Nothing must be left undone."

At a distance

BY RACHEL BILLINGTON

Jacqueline Bouvier Kennedy Onassis by Stephen Birmingham, Gollancz, £5.50, 242 pages.

Jacqueline Bouvier Kennedy Onassis. At least we know her name. It's never easy to write a living subject, harder still when she's a living legend, a main part of the legend being her enigmatic quality. And then to top it all, not even to get cooperation from herself, her family, her friends or, let's face it, anyone who matters in her life. Many a man, even with the carrot of high financial re-

wards, might have shrunk from the task. Still, Stephen Birmingham knows her name. He's not so good on other peoples. In one I could easily check he invented a title and misspelt the name. But that may be to have generally he seems to have done his homework as thoroughly as any sensible man who knows he's short of intimate material. The result is that the most interesting part of the book relates the early history of the Bouviers, the beady days of Wall St. fortune which lead with such dramatic justice to the crash.

Our heroine's childhood passed in the kind of luxury that made people outside the magic circle jealous but was never totally re-assuring to those inside. Luckily her mother was a good trouper and when one rich husband, Jack the Sheik, crashed, she quickly found another even richer. Among all the winners the discarded "Jack the Sheik" comes across as one of the most sympathetic characters in the book, reaching a peak of Lear-like tragedy when, over-excited at the prospect of giving away his beloved daughter in matrimony, he becomes so incapacitated with drink that his place is taken by his most hated rival, her step-father.

Stephen Birmingham, in his more analytic moments, makes a fairly convincing argument that Jackie spent most of her early life looking for a strong male figure. Showing laudable gallantry, he makes this need far more important to her than money, power, attention or any of the rather more obvious perks of her marriages. He points out that Kennedy needed her "class" just as much if not more than she needed his success, which was, after all, achieved with her help after their marriage.

Onassis, he suggests, wanted her for the same sort of reason, though in his case it was only to satisfy his personal vanity and not based on good solid reasons of ambition. Jackie, according to Birmingham, married Onassis not for what Olympic Airways could buy—although he has to admit that she herself was their first buy in a thoroughly worked-over legal package—but because she had just lost another strong man in Bobby Kennedy and needed a replacement. Occasionally this gallant approach slips enough to allow quotes from our heroine's detractors. But these, of course, are quickly denied as total fabrication. On the whole, it's fair to say, Birmingham steers

clear of such obvious gutter journalistic tricks. There is one area, however, where he falls so totally that it would have been better if he'd not tried. The chapter "Having Babies" opens:

"From a distance, looking back from the late 1970s this preoccupation with having babies seems quaint, a bit old-fashioned. Why should a woman with a slim good figure, who liked clothes and liked to look good in them, be willing (much less appear to want) to spend her first four years of marriage being pregnant more than half the time?"

After several pages worriedly discussing the lack of the pill and the Kennedy clan's addiction to competitive procreation, he is struck with the after-thought that perhaps she liked children. He would have done well to talk to a few slim, well-tressed women (of the late 1970s) about this startling feminine phenomenon.

Mr. Birmingham's efforts to be sympathetic to the poor little rich girl have one result he couldn't have wanted. Instead of appearing as the tough ambitious widely attractive cynosure of all the world, who only has to smile to bring modern kings tumbling, she appears as a puppet used by men for a quality that she herself hardly recognises.

Maybe this is a true picture. Maybe she owes her fame entirely to contact with the Kennedy charisma. But it certainly takes the gift of the gingerbread—without getting much closer to the gingerbread. In the end I couldn't resist the sexist belief that a woman writer would have a better chance of reaching the soft centre. Failing that, she could write up the Bouvier Kennedy Onassis life as a fine example of the death-throes of a male-dominated woman's world.

EDUCATIONAL

FRENCH INSTITUTE

Evening Classes in French Language, Civilisation, Conversation, Translation and Discussion of Press Articles concerning Current Events, commencing 19th February. Registration 1st to 9th February. Details: 14 Cromwell Place, SW7 2JR (S.A.S.) Tel: office hours 11.30-12.30 and 3.30-6.30 01-589 6211 (Ext. 45)

PUBLIC NOTICES

WARWICKSHIRE C.C. Having received 1979 £2.0m Bill due 2 May at 10.15 AM, Applications £2.0m. Total outstanding £2.0m.

CITY OF LEEDS

Bill totalling £9.8 million was passed 2nd February 1979 due to mature 2nd May at 10.15 AM. Applications £9.8m. (Minimum now accepted in full, Applications totalling £9.8m. No other Bills are outstanding.)

ART GALLERIES

AGNEY GALLERY, 43 Old Bond St. W.1. 01-589 6178. ANNIE WATSON, Caroline Fitz and Ian Cassell, 200, Mon-Fri, 9.30-5.30, Thurs, until 7.

EXHIBITIONS

MONO FINE ART, 23, Savoy Street, London, W.C.2. MONO MARBLE, FINE ART, A Retrospective Exhibition of the work of the artist, 1963-1968. Until 3 Feb. Mon-Fri, 10-6, Sat, 10-5.

LEGAL NOTICES

Is the HIGH COURT OF JUSTICE CHIEF JUSTICE, in the Matter of JOHN MACKINTOSH AND SONS LIMITED and in the Matter of the said JOHN MACKINTOSH AND SONS LIMITED, NOTICE IS HEREBY GIVEN, that a Petition was on the 15th January 1979 presented to the High Court of Justice for (a) the appointment of a Scheme of Arrangement and (b) the confirmation of the Scheme of Arrangement of the above-named Company...

THE COMPANIES ACT, 1948

AND NOTICE IS FURTHER GIVEN that the said Petition is directed to be heard by the High Court of Justice, in the Chamber of the High Court of Justice, at the Royal Courts of Justice, Strand, London, W.C.2, on Monday the 12th day of February 1979. Any creditor or stockholder of the said Company desiring to oppose the proposed Scheme of Arrangement should appear at the time of hearing to be specified in the said Petition...

MOTOR CARS

MERCEDES 280 CE 1978 All extras including air-conditioning, 8,000 miles. Personal No. plate, £14,900. BENTLEY SPDRS SLN 1948 Immaculate and original £5,000. Reluctant sale at personal stable. Ring Michael Gardner at Home Hempstead (0462) 64141 anytime

ROLLS-ROYCE

Corniche Saloon Registered 6/9/78, NEW Delivery mileage only Metallic, walnut and magnolia film Phone (0952) 811316

MOTOR CARS

1979 ROLLS SILVER SHADOW II The Mans Blue, Magnolia leather. Many extras. Delivery mileage. £28,950 or 3-year lease at £200.00 per month. ACTION LEASING LTD. Tel. David Shaw on Rotherham (0709) 850984

MOTOR CARS

Only £3.50 per line (minimum three lines) £16.00 per single column centimetre (minimum three cms) Return this coupon with details of your vehicle(s) together with your cheque and publication will take place next Saturday.

BOOKS OF THE MONTH

Announcements below are pre-paid advertisements. If you require entry in the forthcoming periodicals application should be made to the Advertisement Department, Bracken House, 10 Cannon Street, EC4A 3DF. Telephone: 01-248 8000, Ext. 7064.

Economic Theory in Retrospect Third Edition Mark Blaug A fully revised third edition of a unique textbook. Review of a previous edition: "the most acute, intelligent... general survey of the progress of economic theory since Schumpeter." A. W. Coats, Nyklos 6 521 21734 £9.50 net Cambridge University Press

Bibliography of Oil and Gas Law By Dorothy Spencer Contains comprehensive coverage of literature directly concerning Oil and Gas Law, and substantial coverage of literature on the law of other countries and areas. Publication in approximately seven parts at bi-monthly intervals. (Parts 1, 2, and 3 already published.) ISBN 0 906343 60 3 Centre for Petroleum and Mineral Law Studies, University of Dundee £13.50

The EEC and Eastern Europe Edited by Avi Shlaim and G. N. Yannopoulos A study of the trade and economic interdependence of the EEC and the countries of the Council For Mutual Economic Assistance, and of the institutional problems associated with this relationship. 0 521 22672 6 £15.00 net Cambridge University Press

Solar Energy: The Awakening Science Daniel Behrman A full-scale study, written for the general reader, which answers the questions, provides the facts and gives the potential of this enormous source of renewable energy. Routledge & Kegan Paul £8.95

NORTH LONDON PRIME FREEHOLD INVESTMENT Secured mainly on OFFICE BLOCK Income £40,000 p.a. excl. First Class Tenant Price £450,000 Sole Agents: MICHAEL BERMAN & CO. 349 9211

MOTOR CARS ADVERTISING Only £3.50 per line (minimum three lines) £16.00 per single column centimetre (minimum three cms) Return this coupon with details of your vehicle(s) together with your cheque and publication will take place next Saturday. CLASSIFIED ADVERTISEMENT DEPARTMENT FINANCIAL TIMES 10 CANNON STREET, LONDON EC4A 3DF For further information contact Simon Hicks Tel: 01-248 5115



PROPERTY/LEISURE

Where relief is needed

BY JOE RENNISON

IT IS now nearly five years since tax relief on mortgage repayments on second homes was introduced in the 1974 Finance Act.

It is still probably fair enough to say that there has been a time since then when it seemed to have been more than enough money around to satisfy all the customers wanting their first home.

In most of the building society annual reports published recently, they go out of their way to mention the fact that they have considerably increased the amount of money they are lending for home improvements.

order is a good investment for the future.

So why not extend that facility to second home owners who are carrying out bona fide repairs and improvements?

Be that as it may one of our larger national firms of estate agents hit at a revival on the purchase of such a property.

Almost immediately a new branch of garden construction grew up complete with its own methods, prejudices and mystique.

Reginald Farrer, high priest of the new branch of horticulture, has no doubts about the matter. All limestone, he held, was unparalleled for rock plants but by far the best of its many forms was the wonderful weather worn rock of the Craven Highlands.

The story really begins early in this century when the cultivation of rock and alpine plants suddenly became fashionable.

bedrooms and a walled garden, priced at £30,000.

The other, Old Change Cottage, in the hamlet of Kellaways, near Chippenham, is also stone-built and it dates from the 17th Century.

The same Finance Act limited to £25,000 the size of mortgage on which tax relief can be claimed.

This point is picked up by Geoffrey van Cutsem in Savill's look forward to 1979 report (more next week) in the section on country houses.

He reports that many inquiries have been coming in concerning two typical cottages on his firm's books.

rock-work that shall look all of a piece, the creation not of man, but of the untrammelled forces of the world at work since the hills first were."

So the demand for water worn limestone grew amazingly and contractors made a great deal of money digging it out wherever it could obtain access to it.

Far really there is very little limestone pavement in Britain and what there is confined to a few localities and is fast disappearing from them.



Offers around £70,000 are sought for Chandlers, a charming period cottage at Bishops Cannings, on the edge of the Bournemouth Downs.

rooms and a dressing room. A recent extension provides a good suite of bedroom and shower room.

Index: The limit would now be £50,000. I believe that building societies will continue to attract sufficient funds by paying and charging appropriate interest rates.

can stop the contractors continuing with their work. So Dr. Geoffrey Halliday of the Department of Biological Science, University of Lancaster, together with many others who are concerned about this matter, think it essential that Parliament should pass an amendment to the present act making it possible to issue Limestone Pavement Preservation Orders exactly comparable to the Tree Preservation Orders by which local authorities can act immediately to prevent irreparable damage to woodlands and individual trees.

THE ICL Premier at this year's Hastings congress proved to be one of the closest struggles for first place that this traditional event has seen to its long history.

Bland but useful

HAVING practically invented the hatchback, and made little else for the last ten years, Renault have dropped the tailgate in favour of the boot lid on their latest car, the R18.

In Britain, for example, hatchbacks account for 20 per cent of sales and estates 10 per cent whereas 70 per cent of buyers go for a saloon.

Renault are confident the R18 will topple the RS hatchback from its place as their UK market best seller.

The car, whose elegant nose Renault hope to push deeply into the fleet market trough, is perhaps the most ordinary model they have produced in years.

son's win in Round 12 virtually decided the tournament. His strategy was unpretentious but effective: he simply piled up on a weak pawn while his opponent sought non-existent counterplay on the other wing.

CHESS

LEONARD BARDEN

THE ICL Premier at this year's Hastings congress proved to be one of the closest struggles for first place that this traditional event has seen to its long history.

From the British viewpoint, the result was encouraging. For various reasons none of our four grandmasters took part, but Speelman defied the tradition that the British champion always does badly at Hastings and finished only half a point short of a grandmaster score.

White has aimed for B v N but Black has seen deeper. With three pairs of minor pieces exchanged, White lacks the manoeuvre to start a successful K-side attack and can be forced into less or passive defence of the weak Q3 pawn.

White mates in three moves, against any defence (by A. Mossiawill 64 1973).

Solutions Page 16



Renault's R18: clean and non-controversial. Cortina owners they interviewed reckon the R18 is better looking. Mechanically, it is very similar to the R12, which it will supercede in a year or two.

MOTORING

STUART MARSHALL

be said that company car fleet managers would never buy front-wheel drive, fearing service complications and costly repairs.

With this kind of background, the R18 might be expected to be as bland and conformist a car as past Renaults have been.

There are two engines—a 1.4 litre, 64 horsepower development of the Renault 12's, and the light alloy 1.65 litre, 75 horsepower motor used in the R16 TX. The R18 TL and GTL, which have the 1.4 engine, come with a four-speed manual gearbox; so does the 1.6 litre TS. The top of the range GTJ has a five-speed manual gearbox but both the TS and GTJ can be had with Renault's new three-speed automatic at extra cost.

Price range from £3,313 for the 18 TL, which Renault see as a private motorist's car, to £4,503 for the GTJ automatic. This has as standard all the extras to which middle managers have become accustomed—electric front windows, centralised door locks, tinted glass and headlamp washers.

Last week I dipped briefly into the R18 range. A four-speed TS cruised quietly enough for the radio to be enjoyed at 80 mph-plus on the autoroute and sat down solidly on curves of some rough minor roads, unlike previous generation Renaults, the R18 does not roll extravagantly when cornered hard but its suspension deals just as shock-absorbently with potholes. Judging by the frost damage now appearing on our roads, this is a characteristic R18 owners will bless in the coming weeks.

MOTORING

STUART MARSHALL

With this kind of background, the R18 might be expected to be as bland and conformist a car as past Renaults have been.

There are two engines—a 1.4 litre, 64 horsepower development of the Renault 12's, and the light alloy 1.65 litre, 75 horsepower motor used in the R16 TX.

Price range from £3,313 for the 18 TL, which Renault see as a private motorist's car, to £4,503 for the GTJ automatic.

Solutions Page 16

GARDENING

ARTHUR HELLER

IT IS UNLIKELY that many of my readers have ever heard of limestone pavement and yet gardeners have done more than any other section of the community to speed the destruction of this scarce and important geological formation.

Almost immediately a new branch of garden construction grew up complete with its own methods, prejudices and mystique.

Reginald Farrer, high priest of the new branch of horticulture, has no doubts about the matter. All limestone, he held, was unparalleled for rock plants but by far the best of its many forms was the wonderful weather worn rock of the Craven Highlands.

rock-work that shall look all of a piece, the creation not of man, but of the untrammelled forces of the world at work since the hills first were."

So the demand for water worn limestone grew amazingly and contractors made a great deal of money digging it out wherever it could obtain access to it.

Far really there is very little limestone pavement in Britain and what there is confined to a few localities and is fast disappearing from them.

PROPERTY COUNTRY PROPERTY: LONDON HOUSES AND FLATS: SHOOTS AND FISINGS: OVERSEAS PROPERTY:

M&M Means Marbella. Spanish Homes. M & M specialise in fine villas or apartments in Marbella - the most beautiful and desirable area on the Costa del Sol.

PROPERTIES FOR £10,000. SPECIAL SELECTION MARBELLA. 1 Bedroom fully furnished Pueblo House. All amenities. Close to beach. Excellent letting potential. £10,150.

High insulation Town and Country Homes. Sundridge Avenue, Bromley. 5 minutes from Bromley shops and BR station - close to Sundridge Park Golf Course.

Scarborough—North Yorkshire SALE BY PUBLIC AUCTION. Gristhorpe Cliff Farm ABOUT 134.03 ACRES ON THURSDAY, 1st MARCH, 1979 WITH VACANT POSSESSION.

BOULTON & COOPER LTD. With Vacant Possession NORTH YORKSHIRE. CHAPEL FARM, SWINTON 207 ACRES (83 ha).

TROLLOPE & COLLS HOMES. Sundridge Avenue, Bromley. 5 minutes from Bromley shops and BR station - close to Sundridge Park Golf Course.

Montpelier International Properties. MOUGINS - SOUTH OF FRANCE. ELEGANT & IMPRESSIVE RESIDENCE SITUATED ON THE HILLSIDE ABOVE THE VILLAGE.

GARFIELD HILLMAN & CO. LTD. BIGGER AND BETTER MORTGAGES—REMGORTGAGES. 178 TEMPLE CHAMBERS, TEMPLE AVENUE, LONDON EC4X 0DU.

RENFREW DISTRICT COUNCIL. Disposal of Land for Private Housing. Renfrew District Council invite application from agencies interested in carrying out the development of private housing at West Craigdon in Renfrew New Community.

GROUSE SHOOTING IN YORKSHIRE. We have a few shooting days available for parties of 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

LONDON - KENSINGTON. Period house of great charm in sought-after square. Completely renovated to modern standards.

Cutlass. We do not claim to be magicians. We are hard to find, but good agents for good properties in London, please write to us at 178 Temple Chambers, London EC4X 0DU.

WYLYE VALLEY, WILTSHIRE. Unique opportunity to obtain a superb 2-acre building plot in centre of village, with detached house, conversion for one (or two) flats, high quality detached house, complete with 4 bedrooms, 2 bathrooms, double garage on south facing site. Price £20,000 including existing stable-garage on the site.

HOMES OVERSEAS... invite you to visit their exhibition at the Victoria Hotel, Aldwych, London, WC2. Freehold 6th floor room to 6 feet where you will meet over 20 specialists in all aspects of buying a holiday or retirement home in Spain, Portugal, France, Italy, Greece, Cyprus, etc.

RUTLAND GATE KNIGHTSBRIDGE SW1. Freehold - Offers Invited. 6 FLOORS (4 VACANT) WITH THE PROPOSED ADDITION OF A REST HOUSE. Embassy or residential user. Suitable for conversion into 7 large flats.

BRIDGE

E. P. C. COTTER

IN MANY hands speed is essential, but in others patience must be employed. This old Olympic band teaches this valuable lesson:

W N  
Q 5 4  
K 6 3  
10 8 5 2  
K 10 3

South dealt at game all and bid one spade, North took out with two clubs, which the opener raised to three clubs, and North's bid of four spades closed the auction.

With East-West vulnerable, South dealt and bid two clubs, North said two diamonds, and replied two no trumps to the opener's rebid of two hearts.

In the other room (this was a team match) West showed the patience which his opposite number lacked. Instead of ruffing the third club, he threw a spade, and the declarer without any thought of danger returned to hand by ruffing another diamond, and led another club. On this West discarded his last spade, and the declarer was doomed. He ruffed the club on the table, but now he could make nothing beyond his three top trumps, and was defeated.

POSITION No. 233

BLACK (5 men). Chessboard diagram showing a position with Black to move.

WHITE (6 men)

Chessboard diagram showing a position with White to move.

PROBLEM No. 253

BLACK (2 men). Chessboard diagram showing a problem position with Black to move.

WHITE (5 men)

Chessboard diagram showing a position with White to move.

White mates in three moves, against any defence (by A. Mossiawill 64 1973).

Solutions Page 16

Handwritten Arabic text at the bottom of the page.





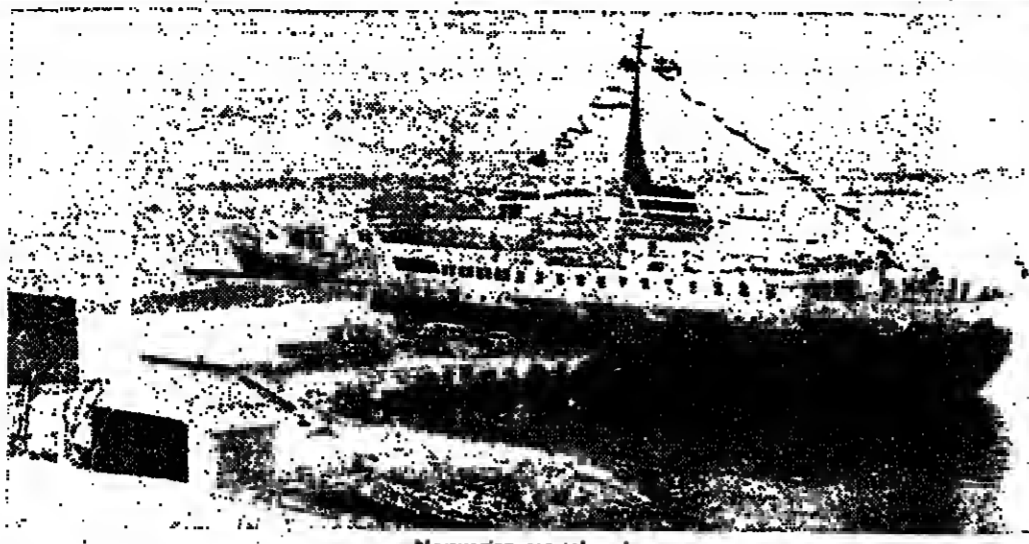


TRAVEL

All at sea

BY SYLVIE NICKELS

IT IS a long time now since cruising was associated almost exclusively with well-heeled escapes from less to more fortunate winter climates.



Norwegian coastal cruise

example but you will miss that major attraction, the midnight sun, and much of that glorious scenery will be but dimly observed.

most startling and least visited coastal scenery in the world. Fares for the seven-day cruise ex-Vancouver are £337-£625 but, having gone far, many will take advantage of a whole range of combined cruises/tours of up to 28 days, featuring the Canadian Rockies, gold rush country and so on.

to share the students' illustrated lectures. Also out of UK ports are the ships of Soviet CTC Lines whose cruise fares are lower than most: about £250-£700 for two weeks with a strong emphasis on Nordic ports and the Atlantic Isles.

SNOW REPORTS

It looks like a weekend of perfect conditions to most of the ski world. Recent snow in both Europe and the U.S. means that most resorts offer good skiing.

Table with columns for location (e.g., EUROPE, Bormio, Saize d'Oulx), snow depth (cm), and notes (e.g., New snow on icy base, Good crust on exposed runs).

European reports from Ski Club of Great Britain representatives. THE U.S. Sugarbush (Vt.) 12-32 ins Powder. 68 of 70 runs open. Stowe (Vt.) 14-34 ins Powder. 29 of 29 runs open.

Paradise under threat

THE EMINENT American architect Frank Lloyd Wright—no relation, I'm sorry to say—once remarked that the North American continent is tilted, and everything that is not tilted down slides into southern California.

the world's choicest real estate. If it is to erect houses, condominiums, hotels and all that go with them is the subject of a fierce dispute, since the money paid for the area will go largely to the shareholders of a public corporation who do not live in the area.

GOLF BEN WRIGHT

village of Carmel is trying to persuade the California legislature to give Carmel like this property to resist proposed urban developments and create a new kind of entity that he calls a "heritage city."

PAPERBACKS ANTHONY CURTIS

IN THE MIDST of a hard winter who can be blamed for seeking escapism in fiction. I find the reading drug works best when it is blended with a real place. Let me pass on the titles of a few novels, currently in paperback, that have whetted me away from the blackboard and the picket-lines as much by charm of their settings as any curiosity about the characters or what was going to happen to them.

lead me to treat your views seriously." The whole correspondence, printed in The White/Garnett Letters (Cape 1968), should be read as a mercurious example of how a literary friendship may survive savagely adverse comment on the work of one of the parties by the other.

TRAVEL

Australia CRUISE THERE BY ORIANA... It's not just a trip, it's the most marvellous voyage you'll ever make, and one you'll always remember. Forty perfect days, visiting seven different countries, enjoying superb food, top class entertainment and attentive care.

\* GIBRALTAR and MENORCA \* For the ideal family holiday—or any type of holiday! STILL VACANCIES on ALL DEPARTURES TO GIBRALTAR, BUT ONLY ON CERTAIN DATES TO MENORCA.

HOTELS

ASHLEY COURTENAY RECOMMENDED HOTELS All are good value for money as costs continue to rise. The new 1979 Edition of "Let's Halt Awhile in Great Britain" personally describes over 1,400 hotels.

FRESHFIELDS BIG VALUE CAMPING HOLIDAYS IN FRANCE Come and find out how good camping can be in France. We are U.K. experts in camping holidays and we now have our own tents on 9 well-located sites in some of the most beautiful parts of France.

FINE VILLAS Good Service Scheduled flights. Car hire included for the whole party. Or ferry crossings to include your own car. Range extends from villa for 14 with 5 staff, to simple farm cottages.

COSMOPOLITAN 10 Dover Street, Mayfair, London, W1 ABTA - ATOL 2138

THE BEST IN VILLA HOLIDAYS Luxury villas in the MEDITERRANEAN—Algeria, Costa del Sol, South of France and Sardinia. WEST INDIES—Barbados, Grenada, Jamaica.

READ ALL ABOUT IT The heat, the blue seas and the wonderful Greek Islands of Spese, Poros and Porto Hell just on the mainland. Where's the new Spese Holidays? 79 Brochure. We've got more villas, better accommodation, so telephone us now and start the year with some good news.

GO VENTURING Venturing can take you on a really memorable holiday in the Himalayas or Kenya in comfort. You would never believe possible. Prices start from £475 all in for a two week Himalayan trek this Easter.

THE NILE & THE SUN 1979 The leisurely trip that visits all the most important sites as well as some of the lesser known, but still leaves you with time to relax on the sun-deck of the Nile steamer or by the pool of your hotel.

amathus holidays Classical & Pop From classical tours to sell catering apartments, with a selection of hotels between. In fact the best of Greece, the Greek Islands, the Aegean, the Ionian, and Cyprus. Also a day and 7 day cruises round the Greek Islands.

GARDENS & VILLAS OF TUSCANY This 8 day tour based on Florence, will show you some of the most attractive gardens and villas of this region. In addition it includes sightseeing in Florence, a visit to Siena and San Gimignano.

VILLAS TO RENT IN GREECE If you are looking for a really special villa—perhaps a little off the beaten track and with complete seclusion—can we suggest you visit the villa specialists?

A HOUSE IS NOT A HOME... But a villa is the best of both worlds—especially when it is on the Greek island of Corfu. We have availability from April to October for 1, 2 or 3 week holidays with prices as low as £163-£198 pp for 2 weeks. So, ring or write now and move in right away.

GENOVA FROM £53 We offer daily departures from Gatwick to the beautiful Ligurian coast. Our service is ideal for everyone as you can depart any day, return any day from 1-50 nights and we have plenty of places available throughout the year.

SARDINIA Island of Beautiful Beaches & Villa and Hotel Holidays from £107 Free colour brochure from MAGIC OF SARDINIA 17 St. Andrew Street, London, SW11 2AP. Tel: 01-749-2563

The Greek Brigand Owner manager of one of our hotels on Creta. Has set new standards of sartorial elegance with his string venue. Ring for brochure. SUNED 488 Park Road, London SW14 3LJ. Tel: 01-873-2644

DOWNWELL HOUSE HOTEL Bishops Cleeve, North Devon A beautiful Queen Anne house set in unspoilt countryside near coast and moors, offers you peace and luxurious comfort combined with exceptional catering. All bedrooms with bathroom. Own approach and pick up. Heated pool, tennis, croquet, indoor games and special child's lounge.

BRITANNIA VILLAS—CHILDREN TRAVEL FREE JUNE AND SEPTEMBER. Contact Britannia Villas, 103a High Street, Leeds, West Yorkshire LS2 9JF. Telephone 0532 614173.

EASTBOURNE Do you want an hotel where you can be sure the atmosphere will not be ruined by congestion or parties? Where it is the aim to provide service customary 30 years ago but now, fast disappearing; where you can relax in a delightful garden overlooking the sea, or in spacious rooms; where you can listen to the music of the evening; where you're free from traffic noise and yet where there is ample parking? If so telephone (0223) 20843, or write Miss P. T. Horneby, Resident Director, Hydro Hotel, Eastbourne.

HARROGATE Old Swan Hotel BRITAIN'S MOST DISTINGUISHED CONFERENCE CENTRE. AA Telephone (0423) 604661. 130-132 High Street, Harrogate. Tel: 01423 604661

ACTON CASTLE HOTEL Rousdon, Painswick, Cornwall. Tel: (073-476 2700) Bichers - rum Mrs. P. F. Barnaby. Enjoy great views in an 18th century castle by the sea. Painswick is a lovely town. Excellent cuisine. Licensed.

WESTONBIRT, Nr. Tetbury, Glos. MAKE A HOLIDAY OF IT. On the Cotswold Path, Westonbirt, Glos. is a superbly situated, 18th century, 100 room hotel in a 500 acre garden. Tel: Westonbirt 0666 681 233.

SUNRETTA HOUSE ST. MORITZ de luxe hotel Phone 082 21121, Telex 74 493, R. F. Hölzler, Mgr.

BURNS HOTEL Barton Gardens London SW16 0EN NEAR WEST LONDON AIR TERMINAL 100 rooms, private bath/shower, radio, television, English breakfast, restaurant, bar—fully licensed, 2 lifts. Special terms to companies. Details and illustrated brochure on request. Tel: 01-875 3151 or 7981

FOREIGN HOTELS AROSA (Switzerland) Hotel Valais. First class air view hot-holidays from £195.00. Inland. (France) Semur, Poissy. (Inland) Semur, Poissy. Tel: 0234 241628.



# HOW TO SPEND IT

by Christine Burton

## Something out of the ordinary

This week I am writing about four shops which offer a specialised service. Because the number of interested customers is necessarily limited, the very existence of these establishments depends on being

able to draw from the catchment area of a large metropolis. But if any reader wants to know more about domestic miniatures, four-poster beds, model trains or hand-made cosmetics, I would certainly recommend a visit.

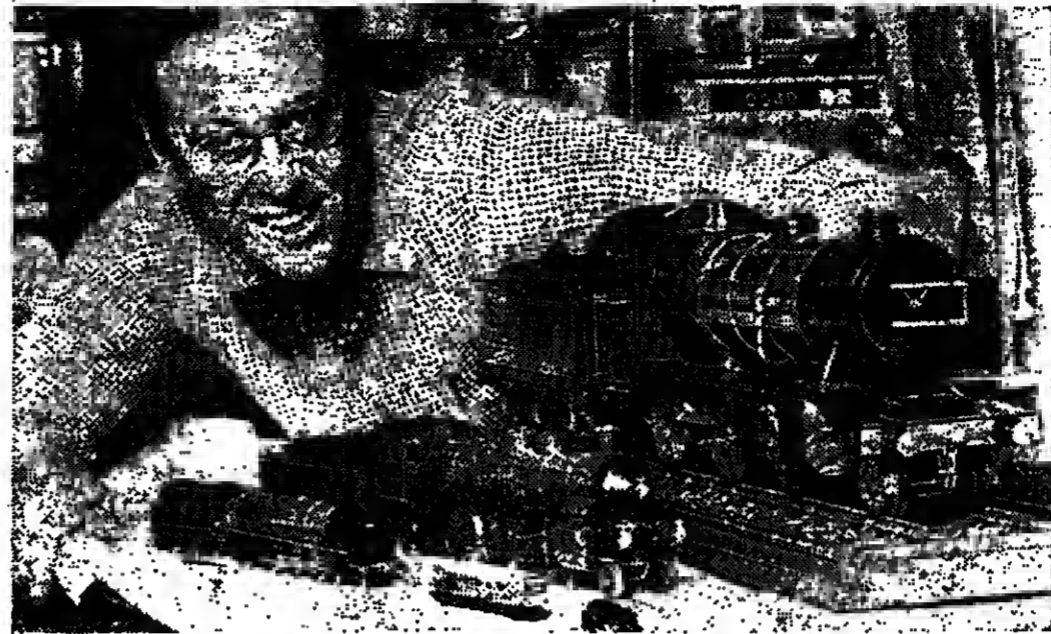
Other shops are in the pipeline for this series, but meanwhile I would be delighted to hear from any reader who would like to tell me about any shop he or she thinks deserves a mention.

### Hadley Hobbies

I MAY not know much (let's be honest, anything) about model trains and planes, but I can recognise enthusiasts. And Hadley Hobbies, of 131, Middlesex Street, London E1, is very definitely run by enthusiasts.

"Toys for big boys" is how the proprietors describe their business and certainly when I popped in there were plenty of big boys who should have been at the adult equivalent of school.

Hadley Hobbies is run by Graham Colover and John Price. John Price used to run a small model shop nearby in the City and Graham Colover, who used to be in the furniture business, seemed to be his most frequent customer. It struck them that it would be sensible to set up shop together. They say that Hadley Hobbies is the only model shop in the City and indeed its stock is so large...



Graham Colover of Hadley Hobbies, photographed by Ashley Ashwood

customer wants or which is just the thing their clientele would appreciate. A pre-war Hornby trainset, originally sold for 49s 6d, would nowadays fetch between £50-£80.

They advertise special lines in the model journals and, as a result, they get visits and requests from all over the world. When businessmen come to London, they make a point of dropping into the shop—or they will write beforehand in the hope that a special requisite can be met.

The number of British manufacturers in the field has dwindled considerably and it is sometimes difficult to get hold of the exact model from a foreign manufacturer but Hadley Hobbies will try and will charge a commission. Other special tasks they will carry out are making base boards for complete railway layouts, repairing engines, and replacing electric motors either in trains or model aeroplanes.

The shop's customers range from porters at Liverpool Street station to stockbrokers. They get very few children—except in the school holidays—but new customers often start off by pretending that they are buying for their sons.



Anne Griffith of The Singing Tree, photographed by Corinne Cockrell

### The Singing Tree

I HAVE rarely spent such a happy hour as I did recently at the Singing Tree, a lovely shop at 60 New King's Road, London, SW6.

Anne Griffith and Thalia Sanders, who started up and run The Singing Tree, say that they sell dolls houses and their accessories, but this bald statement covers an amazing multiplicity of exquisitely scaled-down objects.

Anne Griffith had to wait until she was 13 to be next in line for her family dolls house. It was a long wait, and she has been firmly hooked ever since.

They began to hear about people whose hobbies were making miniature versions of everyday things, until now they have overtaken slightly, vermiciform-making-pieces for them.

Many of these craftsmen—already working in a particular medium—came to them for advice and to see whether there was a gap in the market for their talents. In this way, for instance, someone working in brass was asked to make scales, chandeliers and coal scuttles.

Michael Ayrton, well-known in the world of silhouettes, makes minute copies of his own collection—one of these sells for £3.20.

The collection of glassware has to be seen to be believed. It ranges from a milk bottle (25p) and bottles of wine (rosé is 90p), through the various sorts of drinking glasses (champagne

glass 45p), to twisted candlesticks (with candles 30p a pair) and a three-branched chandelier (£5.20).

There are kitchen utensils (wooden butter pats 60p a pair, grater 60p), and tools for the workshop (plane £1.30, screw-driver 60p), as well as for the utility room (sleeve press £1.90, four clothes pegs 70p and three coat hangers for 45p).

Since the kitchens of these large houses are essentially working kitchens, we must not forget the food. There are over 50 different types ranging from a marrow (45p), a Christmas pudding (45p), to a crown roast with paper frills (£1.40).

Also available is a delightful range of printed wallpapers (40p for a 16 in X 24 in sheet) and 1½ in deep friezes of Kate Greenaway figures. Ideal for miniature nurseries!

The actual houses can be bought as well, of course—I saw a beautiful Georgian three-storey house for £65. A two-storey shop is £32.40 if you can buy a glass-fronted wooden box in which you can arrange a room setting (£35).

Alternatively, you could attempt to build your own house. On sale are period sash windows that open, staircases, spindles, shutters, and doors, hinges, door knobs and knockers. Definitely do-it-yourself for the nimblefingered.

The scale used virtually throughout is 1½ in to 1 ft and this applies particularly to the dolls themselves. The selection here changes constantly as some are sold and new ones arrive, but on the day of my visit I saw a French maid, ladies in their ballgown finery, graceful grey-haired grannies and little girls who looked as if they had just rushed in from spinning their tops and wheeling their hoops.

Anne Griffith reckons that most of her customers are in their thirties and who, having been deprived of high-quality toys in their wartime childhoods, appreciate the craftsmanship that has gone into each tiny article, especially in comparison with the mass-produced plastics which seem to be the only alternative nowadays.

The Singing Tree is open from 10 to 5.30, Monday to Friday, 10 to 1 on Saturdays.

**Hakyon Days special enamel St. Valentine's Box for 1979**

"For my Love"  
Hearts and flowers—bouquets of violets within heart-shaped panels against a shell pink trellised background; the date is inscribed inside the lid.

Production ceases February 28, 1979. Obtainable only from Hakyon Days.

141 Hakyon Days Ltd., 14 Brook Street, London W1A 1AA. (Closed on Saturdays)

Valentine's Boxes of £15.90 plus 50p U.K. post. Overseas Airmail £2.00. Cheque enclosed value £.

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

**ELEGANCE EFFICIENCY ECONOMY**

Warm to the luxury and economy of Harrods. A beautiful wood burning heater. Attractively finished in Charcoal Grey, Brown, Dark Green or Beige. Pyrex front, removable barbecue, draught and fire adjustment for maximum heat and night burning. Back box 20.000 BTUs.

The KAMINA burns wood not money. Please send details of heater, covers and nearest stockist.

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

14 Church Street, Twickenham, Middlesex. TW1 3NL. Tel: 01-8921815

**Le Feu de Bois**

**LEATHER CAPTAIN'S CHAIR DIRECT FROM MANUFACTURER**

The elegant Captain's Chair is now available at only £235 inc. VAT—less than £100 below street price. Upholstered in full grain antique finish leather with hand polished brass mahogany gully and legs. Swivel and tilt action. Swivel through 360°. 21½" depth, 21" width, height 2ft 6in-3ft. Available in antique shades of green, red tan or dark brown. Send now for order form, colour samples and leaflet. Delivery free U.K. Mainland. Available ex-stock. Limited offer at this price.

OMEGA-DAWN LTD., HOWARD HOUSE, 30-31 HIGH STREET, LEWES, SUSSEX. TEL: LEWES 7776.

### Cosmetics à la Carte

I DO not know about you but I always feel that the beauty sales girls in department stores, while looking immaculately made-up, also look as if they spend their entire lives applying and re-applying it. So it was refreshing the other day to come across two women professionally involved in the beauty business who think that make-up should be put on in the morning and should then last all day.

Christina Stewart (who has a B.Sc. in cosmetic chemistry) and Lynne Batley met when they were both working in the research laboratories of a big cosmetic house, and were getting increasingly frustrated by fostering the competition between the large manufacturers rather than catering for the individual customers.

So they decided to set up in business on their own account offering beauty care and advice on a much more personal basis. Just over five years ago they opened their premises at 10 Motcomb Street, London SW1, and although they were then selling perfumes and cosmetics from established beauty houses, they concentrated on making and building up stocks of their own cosmetics made by them in their laboratory in the basement. Now they sell only their own range.



Lynne Batley and Christina Stewart of Cosmetics à la Carte, photographed by Ashley Ashwood

The back-up provided by their suppliers in the industry has helped them considerably. For one thing, they insist that their ingredients are always of the very highest quality and since their requirements are obviously much smaller than those of the large manufacturers, suppliers are often happy to find something special for them.

Cosmetics à la Carte offers many face and body treatments as well as selling a large selection of make-up and skin preparations. An interesting service they offer is to make a cosmetic to match a colour—this is an expensive process (£15 for the first order and £5 for a repeat) and they would first try to match from their existing stock—but if necessary it can be done.

The special treatments may be carried out in private cubicles if the client prefers and these include wax depilation (ankle to knee, £6.50), pedicure (£6), eyelash tinting (£5), a one hour cleansing facial (£8), and different make-up sessions.

A redesigned make-up to suit your personality costs £8 for a one hour session. Lynne gave me a shortened version of this: I liked it—as did my female colleagues—but the men were less than enthusiastic!

When Cosmetics à la Carte opened, the first customers tended to be those who lived and worked locally, but over the years custom has grown by word

of mouth to a much wider area. Very often a special occasion—such as a wedding—will prompt people to make their first appointment; regular customers bring along their daughters for their first makeup lessons.

Christina and Lynne design faces and skin care routines according to the lives lived by their clients. For instance, borsey types living in the country would need different advice from business-women

of mouth to a much wider area. Very often a special occasion—such as a wedding—will prompt people to make their first appointment; regular customers bring along their daughters for their first makeup lessons.

Christina and Lynne design faces and skin care routines according to the lives lived by their clients. For instance, borsey types living in the country would need different advice from business-women

of mouth to a much wider area. Very often a special occasion—such as a wedding—will prompt people to make their first appointment; regular customers bring along their daughters for their first makeup lessons.

But, despite our "natural advantage," there is no way to prevent ageing—and skins must be protected from the harmful effects of living with too much traffic.

Lynne and Christina consider that the British are too eager to do themselves down—they tend to bewail their bad points. Good features should be emphasised and the customer's morale and self-confidence will be boosted.

Once a customer has had a makeup devised for her, she will be given a chart with all the details and the shop will keep a record. This means that customers out-of-town can make repeat orders by post (20p per item). Lynne and Christina say that when they look up a reference card, they will remember the face and can make suggestions for alternative colours.

They hope to produce a mail order catalogue later in the year, but at the moment a list of their products is available on request. Prices tend to be in the middle price range, comparable with firms like Helena Rubinstein and Elizabeth Arden.

Cosmetics à la Carte is open from 10 a.m. to 5.30 p.m., Mondays, Tuesdays, Thursdays and Fridays and in 7 p.m. on Wednesdays. The phone number is 01-235 0586.

## New—and especially for women—THE WOMAN'S FINANCIAL LETTER WITH SHEILA BLACK

Isn't it high time that the special needs of women in respect of money matters were given special consideration? We thought so—and have done something positive about it. The result is a brand new service. The Woman's Financial Letter, under the editorial supervision of the authoritative Sheila Black. Packed with jargon-free financial help and inside information, The Woman's Financial Letter is written especially for you in your capacity as investor, professional businesswoman, or even as part-time money-maker. You'll be intrigued by such features as:

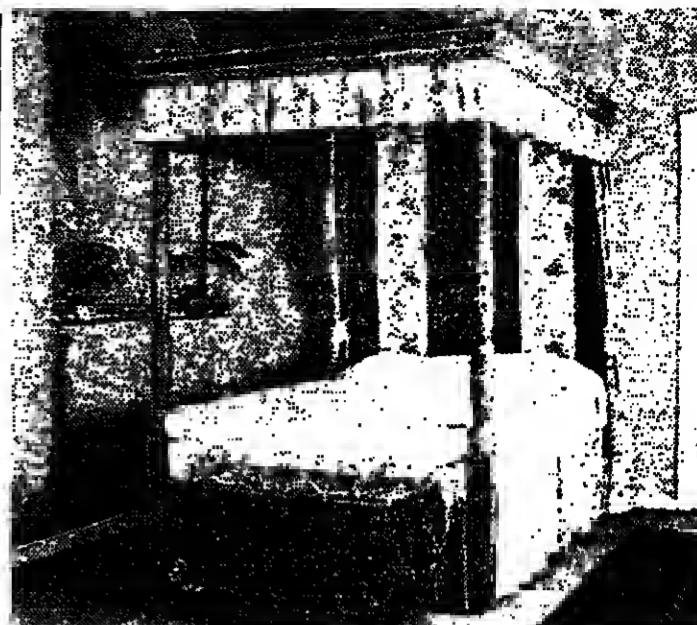
- ★ Shareholder perks (from furniture to hair-do's)
- ★ Valuable hints on collecting
- ★ Your Special Insurance needs
- ★ Coping as a divorcee
- ★ Store shares worth buying
- ★ Investing in oriental carpets

To see your FREE SPECIMEN COPY of The Woman's Financial Letter, simply write or telephone now.

To: The Woman's Financial Letter, Dept. 1WB, 13, Golden Square, London, W.1. Please send me a FREE specimen copy of the Woman's Financial Letter. (Males too may subscribe)

Name: \_\_\_\_\_ (capital letters please)  
Address: \_\_\_\_\_

Or phone 01-597 7337 (24-hour answering service)



### The Bedchamber

THE BEDCHAMBER, which opened last July at 3 Cadogan Street, London SW3, is very much a family business. The shop's speciality—making and selling four-poster beds—was the idea of the mother of the family, Mrs. Blackett. She had been collecting four-posters for many years from her home in Northumberland, and in 1970 she was inspired to make a copy of one as a wedding present to her niece. Word spread, orders were taken and a hobby became a business.

Now son and daughter, Hugh and Angela, have joined in and formed a company to bring the business south.

While Mrs. Blackett continues the search around the north of the country, Hugh sells reproduction modern beds from The Bedchamber. A standard bed is 7 ft high, and is made to fit either a 5 ft by 6 ft 6 in. or a 4 ft 6 in by 6 ft 3 in mattress. Basic beds come in pine (£325), mahogany (£340) and oak (£370), but prices for different sizes or styles will be quoted. Each bed is made by craftsmen joiners in Northumberland.

Occasionally Hugh Blackett comes by some antique beds or posts which can be incorporated into beds. A new venture is to copy some Hepplewhite posts—these would be about £750 if they were original, and antique beds in any case can cost upwards of £600. Sometimes too there are half-tasters for sale—these are invariably cheaper because they need less wood and less fabric.

One little detail that particularly appealed to me was the brass bolt covers, while looking

like an integral part of the post, they in fact cover the bolt which joins the post to the frame.

But it is the hangings which really complete the bed—and this is sister Angela's domain. Nifty with her needle, she makes some of the hangings, but mainly co-ordinates the out-workers in the North who make the pelmets, backcloths, valances and drapes.

There is a good choice of (mainly traditional) fabrics ranging from Laura Ashley (at about £150 per metre) to over £10 for more expensive American fabrics. Choice of fabric obviously determines the overall cost, but the charge for making up standard style hangings is £110.

The assistant in the shop, Belinda Firth, is herself an interior designer and is happy to give advice on suitable fabrics and colour schemes for customers' bedrooms.

Accessories also contribute to the look of a room and The Bedchamber has a small range of these, such as collage pictures, painted chamber pots for flowers or plants, and occasionally stencilled furniture. Flowers and patterns painted onto blanket boxes, side tables, chairs and chests-of-drawers make them look so pretty that they sell out fast, but you may be lucky.

It is also possible to have stencilled bed posts and cornice; this would cost an extra £200, but it certainly makes a bed something out of the ordinary. One I saw in the shop had green and pink hangings with green and pink stencilled posts and cornice; it looked really charming.

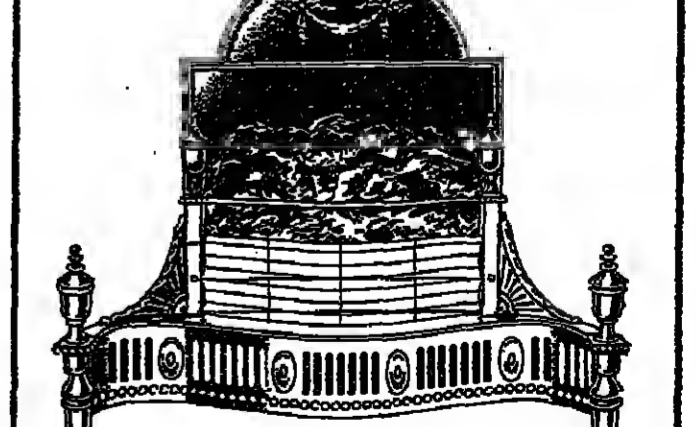
The Bedchamber is open from 9.30 to 5.30, Monday to Friday and 9.30 to 1 on Saturday.

## Traditional Warmth

We have a superb collection of electric fires with glowing coal or log effects in many period styles, to which we have just added two particularly fine examples. Designed to conform with the styles of the periods in question, they are hand made and finished to an exceptionally high standard. They have solid brass finials and embellishments, cast fire backs, very realistic glass coal effects and are both 2Kw with two-heat control.



'Georgian' Freestanding, 21 1/4" high, 32" wide, 10" deep £245. Not shown: inset model, to fit standard 16" fireplace £245



'Adam' Freestanding, 26" high, 27" wide, 12" deep £225. Not shown: inset model, to fit standard 16" or 18" fireplace £205

Interest-free Credit Sale Agreements. Deposit 1/5 of purchase price, and balance by five monthly payments, interest-free. Electrical. Second Floor. Carriage free within our van delivery area.



**Pollyanna**

Very special clothes for children

At last, someone who shares your ideas about children's clothes.

Copy this, stick it to the back of your envelope, and post it to: Pollyanna, Dept. 1, 100, Pall Mall, London W1A 1AA. Please send me the new Pollyanna Spring/Summer Catalogue, 1 section, 20p.

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

**NOW YOU CAN SCREAM WITHOUT OPENING YOUR MOUTH!**

The Whistling Bird Alarm will do it for you. It will ring to tell you when you are sleeping. It is a small, portable alarm that you can carry with you. It is a great help for people who are deaf or hard of hearing. It is also a great help for people who are in a noisy environment. It is a great help for people who are in a noisy environment.

Price: £5.95. Post: 77p. Total: £6.72. Delivery: free U.K. Mainland. Available ex-stock. Limited offer at this price.

OMEGA-DAWN LTD., HOWARD HOUSE, 30-31 HIGH STREET, LEWES, SUSSEX. TEL: LEWES 7776.



GO EUROPE

DER MOTORING

HOLIDAYS

- Come in different shapes and sizes
  - Wine regions-Moselle and Rhine (week) ... £85
  - Self-catering week in Switzerland ... from £88
  - 10 days Tour of German Castles ... £116
  - 11 days Holland ... £140
  - Five Countries Tour 15 days ... £215
  - Motorail in Europe
- Book now with your local ABTA Travel Agent or contact:
- DER Travel Service**  
German Travel Bureau  
15 Orchard Street, London W1H 0AY. Tel. 01-486 4593/7

TAKING YOUR CAR ON HOLIDAY I

There are more facilities for the motorist travelling any road than ever. Arthur Sandles looks at the motoring holiday prospects for 1979.

A bumper to bumper year

THERE SEEMS little doubt that the travel industry thinks the Briton will never give up his car. Indications are that the one buoyant field of a rather depressed shipbuilding world is that concerned with car ferries. British Rail and Townsend Thoresen alone have six ships on order and B and I have new tonnage on the Irish routes this summer. This position is reflected in other parts of Europe and much further afield.

Apart from the ships, motorcraft have now carved themselves a slice of the market and hydrofoils, for passengers only, are hitting their way into the business. The net result of all this is that the consumer no longer has to study maps to find out where the ferries are. It is more a matter of pin-pointing the ports which even now do not have a ferry service operating from them.

The rush to provide services in answer to considerable demand and this means that at certain times of this year, and on certain routes, it may be best to book early. The ferry companies always insist that they have to charge so much because the holiday traffic peaks at certain times and the ships have ample space at others. In consumer terms this simply means that it is best to have a confirmed booking for weekends in August. It also means that some ports are best avoided at these peak times. Dover may be splendidly organised much of the time, but it is no piece in August to arrive say four hours before departure and hope to drift into town for a leisurely lunch. But the other ports often have less frequency of traffic, making the need for booking even greater.

If you must travel in the peak period because, like me, you have children of school age who are reluctant to take time off because of approaching examinations, then consider some of the countries which offer less crowded roads when you get there. The West of Ireland is still a delight to drive in and Scandinavia too has superbly maintained highways with, to my mind, relatively light traffic on them, particularly further north.

One should not forget, of course, that taking your car on holiday does not necessarily mean going abroad. In Britain around two-thirds of domestic holidaymakers make their vacation trip in the family car. Britain's great advantage is that it is now considerably ahead in the provision of tourist information. On that some continental countries had the wealth of well laid out information that is offered by some of the British regional tourist boards. Over the years the boards have increasingly taken over the work of information providing and the system clearly works very well—better, if I may knock an established travel myth than the Syndicates d'Initiatives in France.

The ferry companies themselves, however, are getting much better at displaying information. Such is the competitive nature of the business these days that they have all been forced to jolly up the brochures and introduce a greater degree of clarity into the timetables. Most companies now offer fairly detailed advice to motorists.



Sweden, one of the nicer countries for a driving holiday.

Planning and pricing

IT MADE us late for dinner that hook. We were in a small hotel in Galway, preparing ourselves for another assault on the local oysters, one of the hidden joys of off-season travel, when we stumbled across a slim volume describing a European journey in a British light car some 50 years ago. It was a fascinating work, not least because the "T" of the first few chapters suddenly became "we," suggesting that ours was the expurgated version. But above all the pleasure lay in the photographs. There was the little car being loaded by crane at Dover, standing patiently on a pocked mountain pass. The text was a mixture of pleasure and surprise, that the tour had been completed in such a flimsy machine.

By comparison, today's trips hold less drama, but still the motoring tour is something of a plunge into the unknown. And still it means happy evenings of preparation, surrounded by maps, timetables, brochures and today, a pocket calculator.

Perhaps it is the calculator that makes today's prices seem all the more alarming. In no time at all it clocks up the fact that a return short-sea crossing in peak season in a medium-sized car carrying two adults and two children costs only a few pounds less than £100. A few years ago it would have taken my mind an hour or so to work that out. Now the answer is there in seconds.

The actual cost of travel has become such a significant feature of any holiday budget these days that it pays to give particular attention to routes chosen, and even to the days of the week selected for departure and return. Fortunately the number of ferry services operat-

ing around the UK allows for considerable flexibility in planning, particularly as it is possible to leave Britain by one route and return by another.

In terms of time at sea the longer routes are increasingly attractive to the motorist. The 64-hour run from Southampton to Le Havre for our family of four in peak season would cost around £125 for the round trip—more than four times the travel for only 25 per cent more money.

Although prices start to rise again once an overnight stay is involved on any ship, the long haul voyages, say to Scandinavia, with DFDS or Tor Line, or down to Santander with Brittany Ferries, are still well worth examining. In making assessments of cost it is easy to forget the en route expenses of motoring when deciding between perhaps driving to San Sebastian, or taking the ferry to Santander. This is particularly true if you have a family. When my children were much younger I can recall agonising nights in small French hotels when their running up and down wood-floored rooms in their holiday excitement echoed

through vintage buildings. The longer-haul ships often have a sort of cruise mood to them, with well-run relaxing restaurants and pleasant bars meant for gentle time-wasting rather than the frantic duty-free drinking which is sometimes the case on the short routes.

Planning a route, once across the Channel, is great fun, but motorists should avoid the obvious. The autoroutes may look attractive on paper, and lead to high speeds, but there is so much to be seen off the main roads that it is worth dawdling a little.

In much of Europe it is easy to find quite good secondary roads, usually the old main roads, which do not cut down your timings too much, except thanks to the temptations of sight-seeing en route. This is not necessarily the case in Italy, however. Although the tolls on the autostrade have recently gone up again there is still little alternative for any motorist who wishes to make reasonably speedy progress through the country.

As far as accommodation during the journey is concerned, in France at least I think you do not go very far wrong with Michelin. That company's hotel and restaurant guides to other countries are also useful but sometimes seem to lack the edge that they have in their own countries.

There are companies which offer pre-packed motoring tours, which give the traveller firm bookings at hotels, but the number has reduced somewhat over the years. Alternatively you can make reservations from the UK before you go. Grand Metropolitan Hotels and Trust Houses Forte both have hotels in Paris, for example, and most

travel agents have access to the central booking offices of hotel organisations, British and foreign.

The last Grand Meil hotel I visited in Paris was the Penta, which is just out of town. It is probably one of the least French hotels you could expect to find but, for the motoring family, it has many advantages. It has quick Metro links with the city centre. It is modern and comes complete with swimming pool, sauna, coffee shop and adjacent supermarket. And you can park nearby. But then, perhaps it is more fun to struggle round the Parisian streets looking for a parking space and a hotel with rooms.

For other accommodation must tourist offices can supply hotel lists for towns you choose. Tourist office service is variable, but most try to be helpful. Try: Austria, 30, St. George Street, London, W1R 9FA. Denmark, 169, Regent Street, London, W1R 9SP. France, 178, Piccadilly, London, W1V 9AL. Germany, 61, Conduit Street, London, W1R 0EN. Greece, 195, Regent Street, London, W1R 9DL. Italy, 201, Regent Street, London, W1R 8AF. Netherlands, 143, New Bond Street, London, W1Y 9QS. Norway, 20, Pall Mall, London, SW1 9NE. Spain, 57, St. James Street, London, SW1A 1LD. Switzerland, Swiss Centre, 1, New Coventry Street, London, W1V 3GH.

**FUEL PRICES**  
Petrol prices in much of Europe are considerably higher than they are in the UK and, if you drive a heavily loaded car at high speeds, you may use more petrol than you counted on. Expect to pay nearly £1.50 a gallon for fuel in France and not much less in Switzerland. In the Netherlands, Germany and Austria's petrol will pay perhaps one-third more for petrol than in the UK.

FRANCE WITH A DIFFERENCE 1979

Taking you car on holiday? Cox & Kings, the France specialists, give you the choice of cross-Channel ferry services with your own car or fly-drive deal all over France. We offer a superb selection of châteaux, cottages and traditional hotels and modern hotel chains for the hinerant businessman. To pleasure-seeker and businessman alike Cox and Kings offer flexibility, independence and the freedom of France.

Contact:  
Cox and Kings,  
46 Marshall St.,  
London W.1.  
Tel: 01-734 8291  
(24 hours)

IMAGINE...

Those sun drenched beaches, your own place in the sun, your own car or what you like, wear what you like. We offer a selection of villas, from 2-12, half of them with private pools. Take to air from airport, food, car and daily cleaning services are included. Holidays start from £108. For 1979 brochure, phone: Albave Villas on 01-286 3444 (24 hrs) or write to: Post, P.O. 1, Barclay Road, Croydon, Surrey, CR0 1JN.

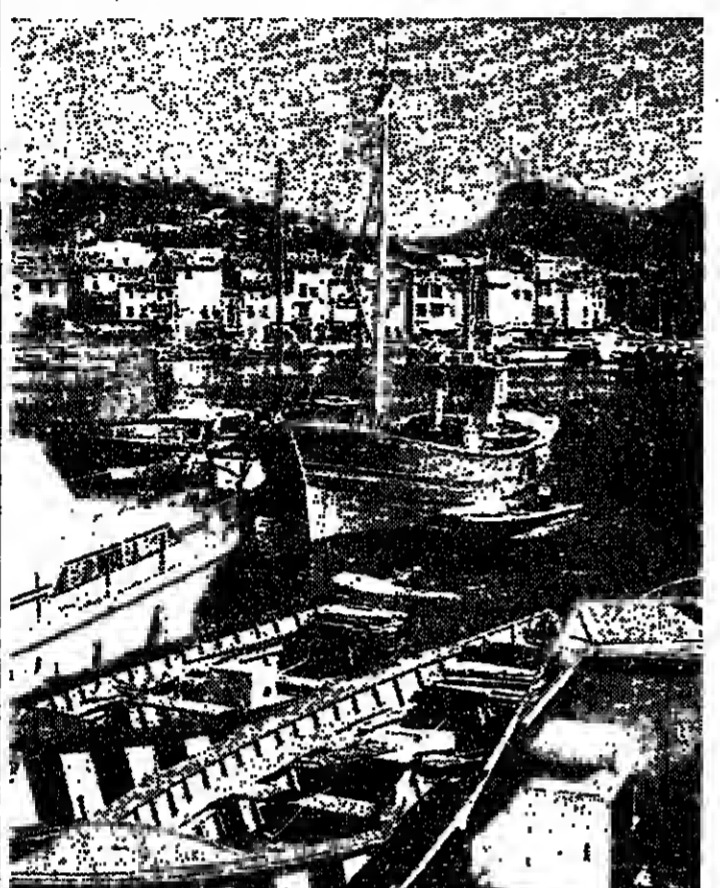


ARTA A Holiday Villas Company ATOL 1988

Paragon Holidays

Discover the Auvergne and the unspoilt areas of France

Take your own car or FLY/DRIVE. From £135 inclusive for 7 days. 84 Guildford St., Chertsey, Surrey. Tel: Chertsey 61598



- ADDRESSES**
- 2 and 1/2 Line, 155 Regent Street, London W1
  - Antony Fairies, Millbay Ocker, Plymouth PL1 3EF
  - OP&S, Marine House, Pepys Street, London EC3N 4BX
  - Hoverloyd, International Hoverport, Ramsgate, Kent CT12 5HS
  - Northfolk Line, A140 House, Southgate Road, Great Yarmouth
  - Hedon Road, Hull HU8 3QA
  - Jeilink Ferries, 18 Westminster Palace Gardens, Artillery Row, London SW1
  - Olu Line, Sheerness Ocker, Sheerness, Kent ME12 1SN
  - Fast Diao/Bergen Line, 228 Regent Street, London W1
  - Polish Baltic Line, Cerdic House, Ferry Terminal, The Ocker, Felixstowe
  - P and O Irish Sea Services, 84 High Street, Belfast
  - P and O Normandy Ferries, Arundel Towers, Portland Terrace, Southampton SO9 1AE
  - P and O Ferries (Orkney and Shetland Shipping), PO Box A, Matthew's Quay, Aberdeen
  - Primo Ferries, 37/4 Queen Street, London W1X 8BA
  - Sailink/Seaspeed, Car Ferry Centre, 52 Grosvenor Gardens, London SW1W 0AG
  - Townsend Thoresen, 127 Regent Street, London W1R 9LD

MOTORING IN EUROPE FROM AN AMAZING £27.00

Before you book your motoring holiday this year, check out the Swans range of villas and hotels in Spain, Italy, Austria, France and Switzerland. Our prices start from an amazing £27.00, children's holidays from only £10.00, and this includes cross-Channel ferry for car and passengers, accommodation, break-down insurance, plus low touring walls.

Phone for your free Swans brochures today on 01-789 6556 or write to: Swans Motoring Division, Dept. FT, 329 Putney Bridge Road, London SW15.

**SWANS—UNBEATABLE VALUE AND GUARANTEED PRICES**

The south of France is one of the most popular areas for the British to visit on motoring holidays. Although reachable in a long day's hard driving such a trip can be expensive in tolls on France's autoroutes. A pleasanter way to make the journey is, by the quieter country roads.

MOTORAIL



**The relaxing way to start your motoring holiday**

There's an easier alternative to that long distance destination drive. Motorail. Simply drive to the Motorail terminal and your holiday's started. The Motorail staff take care of everything. Your car goes safely on the back of the train. You relax in your reserved seat or Sleeper. No stress, no strain, no traffic or bad weather to worry about and your car ready when you need it. And it's good value for money—with off peak prices on many routes.

Full details about Motorail's network of 32 day and overnight services are contained in the 1979 brochure.

Phone 01-603 4555 for your copy—or send in the coupon below.

Please send me a copy of Motorail 1979.

Name \_\_\_\_\_

Address \_\_\_\_\_

or pick up a brochure at principal British Rail stations or agents.

FT2

There's no Holiday Planner like The Townsend Thoresen Holiday Planner

- How to take your car abroad
- Up to 50% off Caravan and Trailer Fares
- Exciting Coach Tours
- Car-Ship-Hotel holidays
- 8 choice routes
- Popover for a great day
- Sail & Save on a round trip
- N.Ireland-Scotland Short-Cut
- Dine & Dance Cruise
- Live it up at our holiday Village
- Great News for Senior Citizens
- Savings Day & Night
- Up to 50% off Short holidays

We produced our first Holiday Planner in 1979 and it's been getting bigger and better ever since. We're flattered that at least others should follow. Years behind, in 1979 we have so much to offer that there are even more pages packed with information, special Travel Bargains and lots of really fascinating holiday ideas. Where to go. When to go. How to go. It's all in the Townsend Thoresen Holiday Planner.

It'll help you pick the right time and the right place. You've the whole of the Continent to choose from and the Great Eight Routes to get you there. Drive on at Felixstowe, Dover, Portsmouth Southampton. Dive off at Rotterdam, Zeebrugge, Calais, Le Havre or Cherbourg. So easy.

Start your Holiday Living straight away. Drive aboard a modern Townsend Thoresen ship. There are restaurants, bars, Gift and Duty Free Shops, a Bank and, new this year, on board Movies, competitions and games arcades. You really are away from it all. And there's a light hearted feeling in the air.

It's a time to start your Holiday Living now. So post off the coupon and we'll send you the Holiday Planner. Or ask your travel agent or motoring organisation.

The Townsend Thoresen Car Ferries Brochure Dept., P.O. Box 12, Dover CT16 1LD. Please send me the Holiday Planner.

Name \_\_\_\_\_

Address \_\_\_\_\_

**TOWNSEND THORESEN**  
The European Ferries  
Sail the light hearted way!

هكسان الالصل



# TAKING YOUR CAR ON HOLIDAY II

Over the years facilities for booking self-catering accommodation in Europe have grown. This year, however, the demand is likely to be very high.

## A place to stay

ONE OF the more pleasant developments in travel over recent years has been the expansion of facilities for self-catering, in the form of villas, camping and caravanning. Whereas scarcely a decade ago the motorist looking for self-catering accommodation did so very much at his own risk, villa rental has become a much more sophisticated business and camping sites are much simpler to explore by post than once they were.

However, it is still true that the most centrally organised of the villa operators tend to be those which have their activities centred the greatest distance away from Britain's shores. The Algarve, Southern Spain and Greece are all a considerable drive, even with the help of the longer haul ferries. They are certainly beyond the staying power of my daughters as far as being passengers is concerned. However, there is an increasing awareness of the British market in France.

Spanish and Portuguese villas tend to have been built recently and specifically for holiday use. French cottages and apartments are usually considerably older and are simply houses that have been put out to retirement. This usually gives French property the edge on charm. The houses have an intimate, lived-in, feel which is often absent from more southerly establishments. However, the margin for error is clearly greater, so do not be surprised by the occasional mouse or damp patch.

A browse through the French villa brochures is a dangerous pastime. Some of the offerings are almost too tempting to resist. As far as prices are concerned it seems that next summer, high season, a family of four would expect to be paying around £130-£170 a week for a French cottage in a rural rather than seaside position. Obviously these figures are subject to considerable flexibility with location, standards, demand and owner's whim all adding up to make precise guidance difficult. It therefore pays to shop around before making a decision. Price differentials between

various offers can be considerable. However, this year in particular, do not take too long in the shopping. With something as individual as a villa the better properties tend to go quickly. Once a family has found one they like they often book the same place year after year.

This year in particular the demand for foreign holidays in general from the British has been very high and the demand for self-catering accommodation has followed this general trend. Do not expect to wait until June to find that perfect Dordogne hideaway for two weeks in August.

The "two-week" system of the British is also an occasional problem. The Continentals, and notably the French, tend to take their summer holidays in four-week batches, so owners tend to prefer to deal in this much simpler style of booking. But where do you find all

able to get a rapid response without the chore of writing to France. The prices for four adults, two weeks, including Channel crossing, start at £182 in the low season and £253 in high summer.

Another exhaustive list is to be found in the bulky brochure of Swiss Chalets Inter Home. No, it does not just serve Switzerland, but the whole of Europe, including the UK. If you write seeking a brochure (10, Sbeen Road, Richmond, Surrey TW9 1AB), specify whether you want the seaside countries - France, Spain, Belgium, Italy, the UK, etc - or the alpine areas. The brochures are big, but not glossy.

Two other companies of which I have heard good reports, but of which I have no personal experience, are Vacances Franco-Britanniques (15, Rodney Road, Cheltenham, Glos.) and Vacances de Campagne (Box Cottage, Sutton, Nr. Pulborough, W. Sussex).

There are more than 250 villas in the brochure of Belvillas (8, Barclay Road, Croydon CR0 1JN). Again many of them are in Brittany, but there is also a wide selection on other parts of the Atlantic and Basque coasts, Languedoc-Roussillon, the Alps and the Côte d'Azur. As with most of the villa companies, Belvillas will also look after ferry reservations.

Although there are many small family companies in the villa business, there are also some big ones. American Express went into the villa business in 1977 and has been so pleased with the results that it has considerably expanded its programme this year. American Express (8, Haymarket, London SW1X 4BS and branches) has a series of brochures on France, Italy and Portugal, so specify the country concerned if you ask for further information.

Not quite villas, and yet not camping, are the holiday chalets offered by some companies. Townsend Thoresen (1, Camden Crescent, Dover, Kent) has its own holiday village of chalets at De Haan on the Belgian coast. It is inexpensive and fun, particularly for kids. Some superb wood-land chalets can be found in the Swedish brochures of Tor Line (34, Panton Street, Haymarket, London, SW1).

One holiday which always seems to get rave notices is camping, with rented tents already set up and fully equipped awaiting the motorist and family. The company which really got this business going was Canvas Holidays (Bull Plain, Hertford SG14 1DY). This is one of the friendliest operations in the holiday business and one of the most helpful. Some friends of mine recently booked a holiday with Canvas and then found they had in fact booked a month earlier than they had intended. No problem said Canvas to the blushing customers, and rearranged the whole thing.

But these days Canvas has serious competition. Eurocamp (82, King Street, Knutsford, Cheshire) has a very informative and comprehensive brochure giving details of 19 sites and around 500 tents which it will have on offer.

Freshfields (441, Oxford Street, London W1A 1BF) is another camping site company which is making a great deal of effort in the field, and clearly growing fast. If you recognise the address, you're right - it is a subsidiary of Butlins.

All in all then, the range of accommodation for any motorist seeking self-catering properties these days is huge.

Some of the villa company brochures contain booking conditions which, at first glance, seem onerous. One, for example, will not let you cancel three months before departure without loss of all monies paid. Read the booking conditions carefully and if you are worried, don't book. Remember, however, that villa owners often seek high guaranteed income from the agencies so villa tour operators do not always have the flexibility that hotel operators do. If the villa is unlet the company still has to pay.



The Irish west

Driving in a foreign country can be fun - but sometimes there can be problems. It is best to be prepared.

## Perils and pitfalls

IT IS NOT only dogs and cats that grow like their owners. Family cars are mirrors of family personalities. My vehicle of the moment is, for example, not entirely reliable. It tries very hard to please, but it is a disorganised sort of car. Given half a chance it will spend whole weekends unwashed and, to be honest, it is not as fit as it should be.

Taking it on holiday, therefore, is something of an adventure. But I've met some very helpful garage hands, and it is quite fun to be thrown into the nearest coffee shop or bar awaiting a repair.

It is odd how all the travel brochures, and even the travel pages, laud the glorious freedom of motoring holidays and yet post-holiday conversations tend to include a bilious story or two about finding that parking space in Nice, having the car taken apart by customs men at the Yugoslav-Greek border, and getting that flat tyre in central Barcelona.

Over the years I've had bearings go in Italy, windows smashed by thieves in France, a wheel (newly attached) come off in Ireland, I've been rammed by Mayoral Rolls in Caernarvon and by rhinoceros in Kenya. Chewing gum once fixed a carburettor in Normandy and a wire coat hanger an exhaust pipe in Sweden. Although once booked for doing a U-turn in Massachusetts most incidents have been sorted out without the aid of the law, although the afternoon that I was rear-ended by a Volvo just ahead of me on a road in northern Uttar Pradesh did, eventually, produce the military.

It was in the course of last year when an ageing French hippy backed into me just outside Cannes and has ever since claimed that I drove into him that I learned at last the wisdom of preparing for such incidents in advance. In much of Europe it is common practice in the case of accident to fill in an accident report form at the spot and to get both drivers to agree as much as possible about the incident. It is also helpful to have a camera handy so that the positions of the vehicles can be photographed, to cut out all argument. Familiarise yourself with the accident report form before you go.

You should also, of course, find out exactly where you stand in terms of insurance. Since Britain entered the Common Market, all British insurance policies have been required to give basic protection to the British motorist when he is within the EEC. This basic, however, varies from country to country and you would be extremely unwise to rely upon it even if you only have third party fire and theft cover in the UK. Green Cards are still the norm, and should cost you £8-£10 (for a small family car) upwards. Such insurance is essential for Spain, and should include ball-bond cover.

You can get car recovery cover from the motoring organisations or from private insurers such as Europ Assistance. Again, such cover is not a legal requirement but wise. If you are involved in a serious accident, or have a serious mechanical breakdown, the country in which you are driving may consider that you have imported the car and require you to pay duty. The

only way to avoid this is to export the wreckage back to Britain.

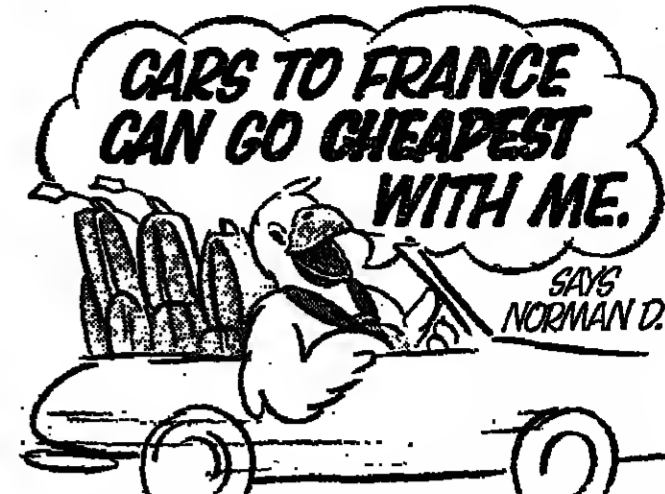
As far as health insurance is concerned there is now a wealth of schemes available and all need studying closely. The motoring holidaymaker is less interested in cover for loss of deposits than the package tourists, but much more interested in baggage cover, since the motorist has more room and therefore probably more luggage. The motorist may also be carrying more money - although in these days of credit cards, the Euro-cheque system and refundable travel cheques this should not be the case.

Motorists in Europe should get the latest SA 28 and SA 30 on European health cover from their local Health and Social Security Office. This details the reciprocal treatment given to British residents in other EEC countries. Again the facilities and paperwork vary.

Even if you are taking out private health insurance, which you should, details of the reciprocal system and the necessary identification papers are important. It is just possible that one member of the party contracts a serious disease or has a serious accident which potentially could exhaust even quite good cover. In some European countries, like Britain perhaps, if you have something seriously wrong you are as well off under the wing of the state as privately. It is only when you have something minor, like a broken leg or hernia, that things start getting ragged.

It is also essential that all the adults in the group are familiar with the papers and that even the children know where they are kept.

All this may sound very alarming. As we all know, most holidays go smoothly enough without recourse to law, hospital or garage. It is, however, best to be prepared. A phrase book may sound a bit gauche but can be useful, particularly one which has detailed menu lists. Berlitz does a chunky (the book, not the reader) European menu reader and you may find copies of a Collins series of menu readers for individual countries.



Get hold of our brochure, then compare the prices. In most cases you won't find a cheaper way to take your car to France than with P&O Normandy Ferries.

And with eight daily sailings from Dover and two a day from Southampton, you won't find a more convenient way either. Whichever route you take you'll enjoy our superbly equipped cars, self-service restaurants and duty-free shops.

On the night crossing from Southampton we're the only service offering free reclining sleeper seats for everyone (with cabins available at a additional cost).

Going cheap cheap is the only way to travel.

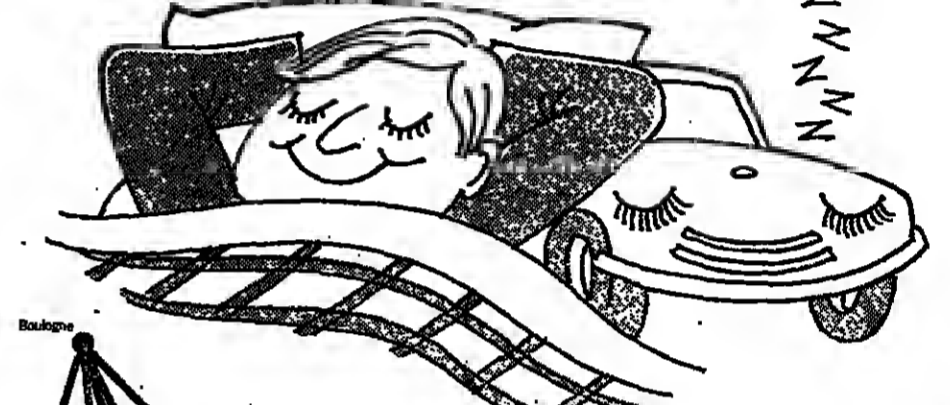
I'd like to know more about the cheap, comfortable way to France. Please send me my free full colour brochure. Send to: P&O Normandy Ferries, Box 2, Feltham, Middlesex TW4. Telephone: 0703 34911

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

FT 3/2

**P&O Normandy Ferries**  
Dover - Boulogne. Southampton - Le Havre.

## Take a sleeping car to the sun...



You enjoy a comfortable night in a sleeper or couchette, while French Motorail whisks you and your car from Boulogne to a convenient centre in the South. Or board at Paris and choose from a dozen or more destinations including Lisbon, Madrid or Munich.

You avoid the hassles of a long motor journey and the costs of petrol, road tolls and overnight stops - and you gain an extra day's holiday, there and back, into the bargain.

This summer we'll have new through fares from Dover or Folkestone (via Boulogne) to the South of France, and our Off-Peak concessions will still apply on some other services.

Take the civilised route to the sun. Our Motorail brochure gives you all the details. Read it - and relax!

## French Motorail

Please send me details of the following:

Motorail Services  General Timetable and Fares  Inclusive Holidays

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

To: French Railways, 179 Piccadilly London W1V 0BA

FT 3/2/79

## With Hoverloyd you're off to a flying start.

Ramsgate to Calais in 40 minutes - that's all it takes to get you and your car to France. And there are up to 27 flights a day each way in peak season.

Hoverloyd can often be the cheapest way of taking the car to the Continent. You only pay for the car - you and up to 4 passengers travel free.

Hoverloyd also have their own International Hoverport with all amenities - restaurant, bars, duty free shop. In fact everything to get your holiday off to a flying start.

\*Fares from £19 until 29th March.

Reservations: Contact your travel agent, motoring organisation or Hoverloyd, Ramsgate, Thanet 0843 55555; London 01-499 9481; Manchester 061-228 1453; Birmingham 021-236 2180.

In person: 8 Berkeley Square, London W1.

You're off to a flying start with HOVERLOYD RAMSGATE TO CALAIS IN 40 MINUTES

The Book of Confidence

# CONTINENTAL 1979 MOTORING GUIDE

An inexpensive source of invaluable information for business and holiday use. Handy, concise and very practical. The Guide includes details of Dover ferry sailings. A must for business trips and for confident continental motoring holidays.

from W.H. Smith, Job's Menzies and other leading Newsagents or sent post free direct from Dover Harbour Board.

**ON SALE NOW 40p**

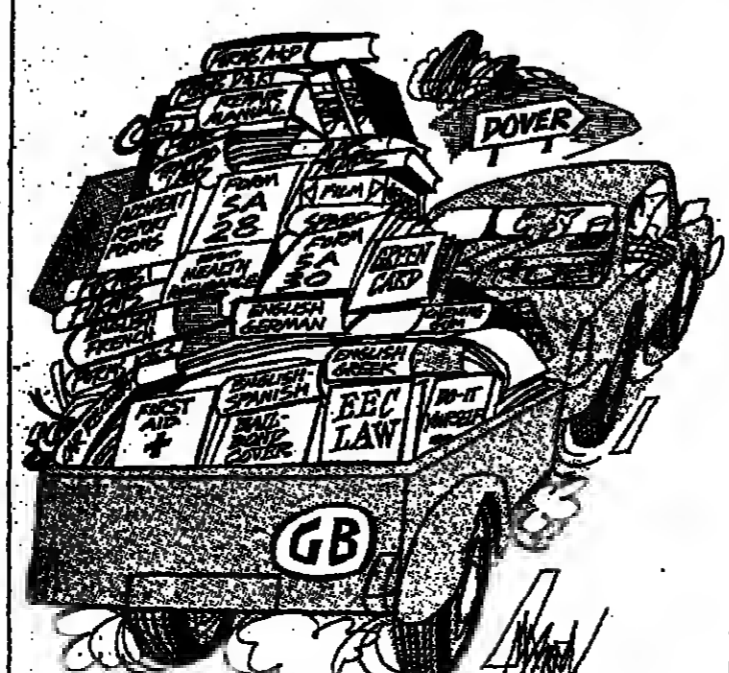
Name: \_\_\_\_\_  
Address: \_\_\_\_\_

Cheque/P.O. 40p to: DOVER HARBOUR BOARD, Dept. FT Harbour House, Dover, Kent.

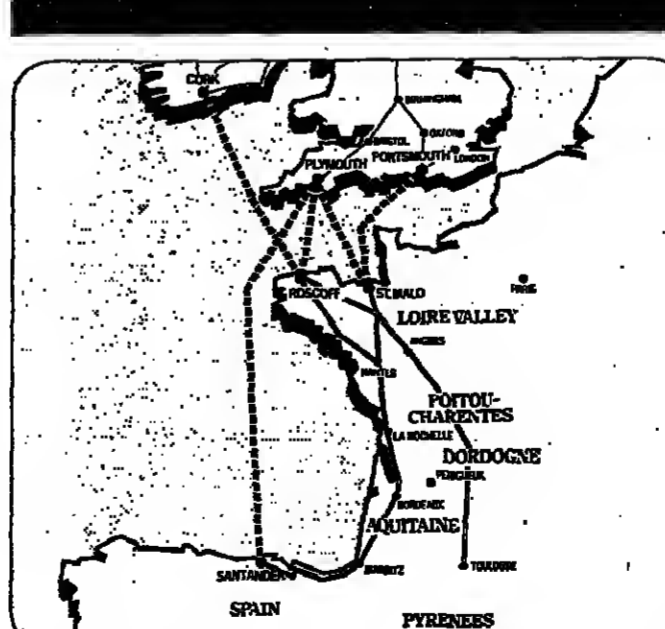
Freshfields (441, Oxford Street, London W1A 1BF) is another camping site company which is making a great deal of effort in the field, and clearly growing fast. If you recognise the address, you're right - it is a subsidiary of Butlins.

All in all then, the range of accommodation for any motorist seeking self-catering properties these days is huge.

Some of the villa company brochures contain booking conditions which, at first glance, seem onerous. One, for example, will not let you cancel three months before departure without loss of all monies paid. Read the booking conditions carefully and if you are worried, don't book. Remember, however, that villa owners often seek high guaranteed income from the agencies so villa tour operators do not always have the flexibility that hotel operators do. If the villa is unlet the company still has to pay.



## Only Brittany Ferries sail direct to Brittany.



## The shorter route to South and West France.

Save time and money, sailing Brittany Ferries to Brittany. Be right into the heart of Brittany very quickly indeed. Our way's a choice of daily sailings, year-round from easy-to-get-to Plymouth and Portsmouth to Roscoff and St. Malo.

Our Cork to Roscoff route re-opens February 10th. This all-year Ireland-Brittany link is the shortest, most direct.

No time wasted

You land miles closer to your destination than, say, Cherbourg or Le Havre. From Roscoff and St. Malo, you've traffic-free, time and petrol-saving roads into Brittany and beyond. To South and West France. To a great choice of holidays and holiday places.

Inclusive Holidays and Breaks

Brittany's a land for all seasons. Brittany Ferries Breaks, special value-for-money short stays with hotels, help you get the most out of Brittany. Particularly in Spring and Autumn.

You've a wide range of holidays, too. Like Gites and Farms, Go-as-you-please Touring, Horse-drawn Caravan Tours; all inclusive, all yours to choose from.

Mileage Chart: See how much mileage (and petrol) you save

Destination	LOIRE VALLEY (ANGERS)	POITOU CHARENTAIS (L'ARDELE)	DORDOGNE (PERIGEAUX)	AQUITAINE (BORDEAUX)
Paris	122	203	329	317
ROSCOFF	213	275	422	389
CALAIS	314	428	469	537
DIEPPE	215	330	373	411
LE HAVRE	194	305	368	398
CHERBOURG	177	285	386	399

**brittany ferries**

Milby Docks, Plymouth PL1 3EF Tel: (0752) 21321  
Norman House, Keating Terrace, Albert Johnson Quay, Portsmouth PO2 7AE Tel: (0705) 27701  
Tourist House, 42 Grand Parade, Cork Tel: Cork (021) 507666

Brittany Ferries 24-hour service direct to Spain. The fastest, shortest yet goes year-round. Sail to Spain with Brittany Ferries. So simple. So direct. Plymouth to Santander. Just 24 hours away, and on arrival, you're on your way in minutes: into Spain, Portugal, or up through France and home by Brittany Ferries. Year-round service re-starts February 19th.

Everything about Brittany Ferries services, all-in Holidays and Breaks is in Brittany Ferries 79 brochures: they're free. Fill in and post the coupon now for yours.

Please send me your 1979 Colour Brochure on Brittany, South and West France  Spain and Portugal

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

Send it to: Brittany Brochures, P.O. Box 197, London SE1 9SZ. FT1



ARTS

Ross/Costello

Annie Ross is more restrained than the usual Country Cousin cabaret artist, who tends to be America, emotional and sexually ambivalent. There may still be a trace of an American accent to her, stretching back to the days when she was the pretty bit of Lambert, Hendricks, and Ross, the innovative jazz vocalists, but essentially she is a serious singer, more used to the church-like atmosphere of a jazz club than the enormities of Country Cousin, a supper room situated in that part of the King's Road where the rich meet the interesting.

POP

So her current season there is classy rather than shocking, pleasant, not controversial. She is greatly aided by having the Harry South Trio backing her through a set which is perhaps too much designed to show Annie Ross as a cabaret performer rather than as a jazz singer. I prefer her singing the blues in *Go to Chicago* or the standards, like *Everytime*

we say goodbye, than pushing young Brazilian composers. The voice may wander sometimes but the style ensures an amiable evening which will probably sparkle more when the audience grows.

There was no lack of an audience for Elvis Costello at the Hammersmith Palais this week when he played a quick return date in London. The unshakable combination of clever publicity and talent have moved Costello remorselessly to the very top, and this was a kind of thank you from the new super star.

You could tell it was meant to be a party because Costello, notoriously rude, was actually talking to the audience which had waited from eight until almost eleven to see this small sensation perform. There is no denying the power of Costello's songs as he raced through old and new, fast and slow, drugging the weary mess with the clever innuendo rhythms which underpin his lyrics and subtle melodies. Elvis Costello is bold in relying on his music to make up for the man, but judging by the enthusiastic scenes at the Palais he could easily become the biggest British export since Elton John.

models for his lions in Trafalgar Square.

In other lots Frederick Richard Lee's "Waiting for the Ferry" sold for £16,000 to the London dealer Ackermann. This is an interesting picture because it has been through the same saleroom on four other occasions, making £225 15s in 1873; 19 guineas in 1925; 44 guineas in 1928; and 231 guineas in 1950. Travellers resting at a "Country Inn" by William Shayer went for £14,000; a painting of an American Western Ocean Packet anchored in Cork Harbour at the time of the Great Famine, by George Mounsey Atkinson, £12,000; and Atkinson Grimshaw's view of "Hull Docks by Night" was bought by Imco's Marina of London for the same sum. The auction of Victorian pictures totalled £47,240. At Sotheby's carpets and tapestries sold for £46,190 with a highest price of £4,400 for a Soho mythical tapestry made around 1720 and attributed to John Vanderbank. In the furniture a small German walnut armoire was bought for £2,000 and the same sum secured a Portuguese tortoiseshell cabinet, and a Louis XVI mahogany rafraichissoir.

Portraits of painters

In the 1860's the Scottish artist John Ballantyne painted a series of 15 portraits showing some of his leading fellow artists at work in their studios. Six such portraits, the property of Mrs. Marianne Sidelohr, were sold at Christie's yesterday for a total of £64,500.

One, a portrait of William Powell Frith, fetched the highest price of the auction—

SALEROOM

£12,000, plus the 10 per cent buyer's premium, and was bought by the London dealer Roy Miles. He also paid £13,000 for another in the series, of Daniel Maclise. Ballantyne's portrait of Sir Francis Grant went for £15,000 and that of David Roberts made £13,000. The National Portrait Gallery of Scotland has four of the paintings from the series, and the National Portrait Gallery in London two, including one of Sir Edwin Landseer working on a



"Six Terrorists" by Saul Steinberg, 1971

Artist as cartoonist

The great cartoonist does not need to be even an adequate draughtsman so long as his jokes are good, and his shortcomings will even grow by degrees to become the marks of his particular identity. The gifted artist, on the other hand, if his jokes are very good, will often see his visual gifts pass unremarked amid the general laughter. Speed, sophistication, and effectiveness are the self-denying virtues of this highly specialised calling. The graphic cliché draws the eye, the idiosyncrasy conceals the art. But following upon this curious circumstance comes a certain

and collected, and taken into the museums; but we must be careful that the closeness of the joke, and sometimes the shock that goes with it, do not blind us to its actual state.

Saul Steinberg, who has adorned the New Yorker Magazine for rather more than a generation, is the latest to be given the treatment, his cult honoured by an exhaustive retrospective at the Whitney in New York last summer, from which a substantial extract has now been brought to the Serpentine Gallery (until February 25). It is a lovely exhibition, full of the most enjoyable and funny stuff, the imagery eccentric and grotesque

ART

tendency towards over-compensation. Take the cartoon from the page, put the art-work into the frame and onto the wall, and suddenly talent is transformed into genius, as it is with Gillray, for example, clearly one of the great draughtsmen of his own and any other age, and Hogarth and Rowlandson. With the cartoonists and satirists of our own day we must be more circumspect. Exhibitions of their work are not uncommon, and certainly we get the impression that they would like to be taken seriously as artists, to show us the serious face beneath the grin. Such work, quite rightly, is enjoyed

Arts news in brief

Lord Donaldson, Minister for the Arts, has announced the appointments of Usha Prashar and Noel Goodwin to the Arts Council of Great Britain.

Festival Hall, in honour of their founder Sir Robert Mayer, will be 100 on June 5. It will be broadcast live by BBC Radio 3.

WEEKEND CHOICE

SATURDAY: In ITV's Dick Turpin the highwayman himself is robbed this week. Admittedly Richard O'Sullivan's straight acting is proving inferior to his comedy yet this series has been generally undervalued; surely it is just that "good family entertainment" which is so often demanded. Julian Bream and John Williams include the lullipops "Claire de Lune" and "Golliwog's Cakewalk" in their duets on BBC2. Alan Bennett returns, and asks "What's the use of TV critics?" to which C.D. tries to give an answer. C.D.

SUNDAY: London Weekend's interesting Sunday programme Credo starts a new series by looking at the ludicrous Sunday trading laws at 6.00. BBC1's "Play of the Month" at 8.05 is it is just that "good family entertainment" which is so often demanded. Julian Bream and John Williams include the lullipops "Claire de Lune" and "Golliwog's Cakewalk" in their duets on BBC2. Alan Bennett returns, and asks "What's the use of TV critics?" to which C.D. tries to give an answer. C.D.

Chess solutions: 1. Solution to Position No. 253 is 1. Nc3, 2. Kd2, 3. Bc3, 4. R-P7, 5. R-P7, 6. R-P7, 7. R-P7, 8. R-P7, 9. R-P7, 10. R-P7, 11. R-P7, 12. R-P7, 13. R-P7, 14. R-P7, 15. R-P7, 16. R-P7, 17. R-P7, 18. R-P7, 19. R-P7, 20. R-P7, 21. R-P7, 22. R-P7, 23. R-P7, 24. R-P7, 25. R-P7, 26. R-P7, 27. R-P7, 28. R-P7, 29. R-P7, 30. R-P7, 31. R-P7, 32. R-P7, 33. R-P7, 34. R-P7, 35. R-P7, 36. R-P7, 37. R-P7, 38. R-P7, 39. R-P7, 40. R-P7, 41. R-P7, 42. R-P7, 43. R-P7, 44. R-P7, 45. R-P7, 46. R-P7, 47. R-P7, 48. R-P7, 49. R-P7, 50. R-P7, 51. R-P7, 52. R-P7, 53. R-P7, 54. R-P7, 55. R-P7, 56. R-P7, 57. R-P7, 58. R-P7, 59. R-P7, 60. R-P7, 61. R-P7, 62. R-P7, 63. R-P7, 64. R-P7, 65. R-P7, 66. R-P7, 67. R-P7, 68. R-P7, 69. R-P7, 70. R-P7, 71. R-P7, 72. R-P7, 73. R-P7, 74. R-P7, 75. R-P7, 76. R-P7, 77. R-P7, 78. R-P7, 79. R-P7, 80. R-P7, 81. R-P7, 82. R-P7, 83. R-P7, 84. R-P7, 85. R-P7, 86. R-P7, 87. R-P7, 88. R-P7, 89. R-P7, 90. R-P7, 91. R-P7, 92. R-P7, 93. R-P7, 94. R-P7, 95. R-P7, 96. R-P7, 97. R-P7, 98. R-P7, 99. R-P7, 100. R-P7, 101. R-P7, 102. R-P7, 103. R-P7, 104. R-P7, 105. R-P7, 106. R-P7, 107. R-P7, 108. R-P7, 109. R-P7, 110. R-P7, 111. R-P7, 112. R-P7, 113. R-P7, 114. R-P7, 115. R-P7, 116. R-P7, 117. R-P7, 118. R-P7, 119. R-P7, 120. R-P7, 121. R-P7, 122. R-P7, 123. R-P7, 124. R-P7, 125. R-P7, 126. R-P7, 127. R-P7, 128. R-P7, 129. R-P7, 130. R-P7, 131. R-P7, 132. R-P7, 133. R-P7, 134. R-P7, 135. R-P7, 136. R-P7, 137. R-P7, 138. R-P7, 139. R-P7, 140. R-P7, 141. R-P7, 142. R-P7, 143. R-P7, 144. R-P7, 145. R-P7, 146. R-P7, 147. R-P7, 148. R-P7, 149. R-P7, 150. R-P7, 151. R-P7, 152. R-P7, 153. R-P7, 154. R-P7, 155. R-P7, 156. R-P7, 157. R-P7, 158. R-P7, 159. R-P7, 160. R-P7, 161. R-P7, 162. R-P7, 163. R-P7, 164. R-P7, 165. R-P7, 166. R-P7, 167. R-P7, 168. R-P7, 169. R-P7, 170. R-P7, 171. R-P7, 172. R-P7, 173. R-P7, 174. R-P7, 175. R-P7, 176. R-P7, 177. R-P7, 178. R-P7, 179. R-P7, 180. R-P7, 181. R-P7, 182. R-P7, 183. R-P7, 184. R-P7, 185. R-P7, 186. R-P7, 187. R-P7, 188. R-P7, 189. R-P7, 190. R-P7, 191. R-P7, 192. R-P7, 193. R-P7, 194. R-P7, 195. R-P7, 196. R-P7, 197. R-P7, 198. R-P7, 199. R-P7, 200. R-P7, 201. R-P7, 202. R-P7, 203. R-P7, 204. R-P7, 205. R-P7, 206. R-P7, 207. R-P7, 208. R-P7, 209. R-P7, 210. R-P7, 211. R-P7, 212. R-P7, 213. R-P7, 214. R-P7, 215. R-P7, 216. R-P7, 217. R-P7, 218. R-P7, 219. R-P7, 220. R-P7, 221. R-P7, 222. R-P7, 223. R-P7, 224. R-P7, 225. R-P7, 226. R-P7, 227. R-P7, 228. R-P7, 229. R-P7, 230. R-P7, 231. R-P7, 232. R-P7, 233. R-P7, 234. R-P7, 235. R-P7, 236. R-P7, 237. R-P7, 238. R-P7, 239. R-P7, 240. R-P7, 241. R-P7, 242. R-P7, 243. R-P7, 244. R-P7, 245. R-P7, 246. R-P7, 247. R-P7, 248. R-P7, 249. R-P7, 250. R-P7, 251. R-P7, 252. R-P7, 253. R-P7, 254. R-P7, 255. R-P7, 256. R-P7, 257. R-P7, 258. R-P7, 259. R-P7, 260. R-P7, 261. R-P7, 262. R-P7, 263. R-P7, 264. R-P7, 265. R-P7, 266. R-P7, 267. R-P7, 268. R-P7, 269. R-P7, 270. R-P7, 271. R-P7, 272. R-P7, 273. R-P7, 274. R-P7, 275. R-P7, 276. R-P7, 277. R-P7, 278. R-P7, 279. R-P7, 280. R-P7, 281. R-P7, 282. R-P7, 283. R-P7, 284. R-P7, 285. R-P7, 286. R-P7, 287. R-P7, 288. R-P7, 289. R-P7, 290. R-P7, 291. R-P7, 292. R-P7, 293. R-P7, 294. R-P7, 295. R-P7, 296. R-P7, 297. R-P7, 298. R-P7, 299. R-P7, 300. R-P7, 301. R-P7, 302. R-P7, 303. R-P7, 304. R-P7, 305. R-P7, 306. R-P7, 307. R-P7, 308. R-P7, 309. R-P7, 310. R-P7, 311. R-P7, 312. R-P7, 313. R-P7, 314. R-P7, 315. R-P7, 316. R-P7, 317. R-P7, 318. R-P7, 319. R-P7, 320. R-P7, 321. R-P7, 322. R-P7, 323. R-P7, 324. R-P7, 325. R-P7, 326. R-P7, 327. R-P7, 328. R-P7, 329. R-P7, 330. R-P7, 331. R-P7, 332. R-P7, 333. R-P7, 334. R-P7, 335. R-P7, 336. R-P7, 337. R-P7, 338. R-P7, 339. R-P7, 340. R-P7, 341. R-P7, 342. R-P7, 343. R-P7, 344. R-P7, 345. R-P7, 346. R-P7, 347. R-P7, 348. R-P7, 349. R-P7, 350. R-P7, 351. R-P7, 352. R-P7, 353. R-P7, 354. R-P7, 355. R-P7, 356. R-P7, 357. R-P7, 358. R-P7, 359. R-P7, 360. R-P7, 361. R-P7, 362. R-P7, 363. R-P7, 364. R-P7, 365. R-P7, 366. R-P7, 367. R-P7, 368. R-P7, 369. R-P7, 370. R-P7, 371. R-P7, 372. R-P7, 373. R-P7, 374. R-P7, 375. R-P7, 376. R-P7, 377. R-P7, 378. R-P7, 379. R-P7, 380. R-P7, 381. R-P7, 382. R-P7, 383. R-P7, 384. R-P7, 385. R-P7, 386. R-P7, 387. R-P7, 388. R-P7, 389. R-P7, 390. R-P7, 391. R-P7, 392. R-P7, 393. R-P7, 394. R-P7, 395. R-P7, 396. R-P7, 397. R-P7, 398. R-P7, 399. R-P7, 400. R-P7, 401. R-P7, 402. R-P7, 403. R-P7, 404. R-P7, 405. R-P7, 406. R-P7, 407. R-P7, 408. R-P7, 409. R-P7, 410. R-P7, 411. R-P7, 412. R-P7, 413. R-P7, 414. R-P7, 415. R-P7, 416. R-P7, 417. R-P7, 418. R-P7, 419. R-P7, 420. R-P7, 421. R-P7, 422. R-P7, 423. R-P7, 424. R-P7, 425. R-P7, 426. R-P7, 427. R-P7, 428. R-P7, 429. R-P7, 430. R-P7, 431. R-P7, 432. R-P7, 433. R-P7, 434. R-P7, 435. R-P7, 436. R-P7, 437. R-P7, 438. R-P7, 439. R-P7, 440. R-P7, 441. R-P7, 442. R-P7, 443. R-P7, 444. R-P7, 445. R-P7, 446. R-P7, 447. R-P7, 448. R-P7, 449. R-P7, 450. R-P7, 451. R-P7, 452. R-P7, 453. R-P7, 454. R-P7, 455. R-P7, 456. R-P7, 457. R-P7, 458. R-P7, 459. R-P7, 460. R-P7, 461. R-P7, 462. R-P7, 463. R-P7, 464. R-P7, 465. R-P7, 466. R-P7, 467. R-P7, 468. R-P7, 469. R-P7, 470. R-P7, 471. R-P7, 472. R-P7, 473. R-P7, 474. R-P7, 475. R-P7, 476. R-P7, 477. R-P7, 478. R-P7, 479. R-P7, 480. R-P7, 481. R-P7, 482. R-P7, 483. R-P7, 484. R-P7, 485. R-P7, 486. R-P7, 487. R-P7, 488. R-P7, 489. R-P7, 490. R-P7, 491. R-P7, 492. R-P7, 493. R-P7, 494. R-P7, 495. R-P7, 496. R-P7, 497. R-P7, 498. R-P7, 499. R-P7, 500. R-P7, 501. R-P7, 502. R-P7, 503. R-P7, 504. R-P7, 505. R-P7, 506. R-P7, 507. R-P7, 508. R-P7, 509. R-P7, 510. R-P7, 511. R-P7, 512. R-P7, 513. R-P7, 514. R-P7, 515. R-P7, 516. R-P7, 517. R-P7, 518. R-P7, 519. R-P7, 520. R-P7, 521. R-P7, 522. R-P7, 523. R-P7, 524. R-P7, 525. R-P7, 526. R-P7, 527. R-P7, 528. R-P7, 529. R-P7, 530. R-P7, 531. R-P7, 532. R-P7, 533. R-P7, 534. R-P7, 535. R-P7, 536. R-P7, 537. R-P7, 538. R-P7, 539. R-P7, 540. R-P7, 541. R-P7, 542. R-P7, 543. R-P7, 544. R-P7, 545. R-P7, 546. R-P7, 547. R-P7, 548. R-P7, 549. R-P7, 550. R-P7, 551. R-P7, 552. R-P7, 553. R-P7, 554. R-P7, 555. R-P7, 556. R-P7, 557. R-P7, 558. R-P7, 559. R-P7, 560. R-P7, 561. R-P7, 562. R-P7, 563. R-P7, 564. R-P7, 565. R-P7, 566. R-P7, 567. R-P7, 568. R-P7, 569. R-P7, 570. R-P7, 571. R-P7, 572. R-P7, 573. R-P7, 574. R-P7, 575. R-P7, 576. R-P7, 577. R-P7, 578. R-P7, 579. R-P7, 580. R-P7, 581. R-P7, 582. R-P7, 583. R-P7, 584. R-P7, 585. R-P7, 586. R-P7, 587. R-P7, 588. R-P7, 589. R-P7, 590. R-P7, 591. R-P7, 592. R-P7, 593. R-P7, 594. R-P7, 595. R-P7, 596. R-P7, 597. R-P7, 598. R-P7, 599. R-P7, 600. R-P7, 601. R-P7, 602. R-P7, 603. R-P7, 604. R-P7, 605. R-P7, 606. R-P7, 607. R-P7, 608. R-P7, 609. R-P7, 610. R-P7, 611. R-P7, 612. R-P7, 613. R-P7, 614. R-P7, 615. R-P7, 616. R-P7, 617. R-P7, 618. R-P7, 619. R-P7, 620. R-P7, 621. R-P7, 622. R-P7, 623. R-P7, 624. R-P7, 625. R-P7, 626. R-P7, 627. R-P7, 628. R-P7, 629. R-P7, 630. R-P7, 631. R-P7, 632. R-P7, 633. R-P7, 634. R-P7, 635. R-P7, 636. R-P7, 637. R-P7, 638. R-P7, 639. R-P7, 640. R-P7, 641. R-P7, 642. R-P7, 643. R-P7, 644. R-P7, 645. R-P7, 646. R-P7, 647. R-P7, 648. R-P7, 649. R-P7, 650. R-P7, 651. R-P7, 652. R-P7, 653. R-P7, 654. R-P7, 655. R-P7, 656. R-P7, 657. R-P7, 658. R-P7, 659. R-P7, 660. R-P7, 661. R-P7, 662. R-P7, 663. R-P7, 664. R-P7, 665. R-P7, 666. R-P7, 667. R-P7, 668. R-P7, 669. R-P7, 670. R-P7, 671. R-P7, 672. R-P7, 673. R-P7, 674. R-P7, 675. R-P7, 676. R-P7, 677. R-P7, 678. R-P7, 679. R-P7, 680. R-P7, 681. R-P7, 682. R-P7, 683. R-P7, 684. R-P7, 685. R-P7, 686. R-P7, 687. R-P7, 688. R-P7, 689. R-P7, 690. R-P7, 691. R-P7, 692. R-P7, 693. R-P7, 694. R-P7, 695. R-P7, 696. R-P7, 697. R-P7, 698. R-P7, 699. R-P7, 700. R-P7, 701. R-P7, 702. R-P7, 703. R-P7, 704. R-P7, 705. R-P7, 706. R-P7, 707. R-P7, 708. R-P7, 709. R-P7, 710. R-P7, 711. R-P7, 712. R-P7, 713. R-P7, 714. R-P7, 715. R-P7, 716. R-P7, 717. R-P7, 718. R-P7, 719. R-P7, 720. R-P7, 721. R-P7, 722. R-P7, 723. R-P7, 724. R-P7, 725. R-P7, 726. R-P7, 727. R-P7, 728. R-P7, 729. R-P7, 730. R-P7, 731. R-P7, 732. R-P7, 733. R-P7, 734. R-P7, 735. R-P7, 736. R-P7, 737. R-P7, 738. R-P7, 739. R-P7, 740. R-P7, 741. R-P7, 742. R-P7, 743. R-P7, 744. R-P7, 745. R-P7, 746. R-P7, 747. R-P7, 748. R-P7, 749. R-P7, 750. R-P7, 751. R-P7, 752. R-P7, 753. R-P7, 754. R-P7, 755. R-P7, 756. R-P7, 757. R-P7, 758. R-P7, 759. R-P7, 760. R-P7, 761. R-P7, 762. R-P7, 763. R-P7, 764. R-P7, 765. R-P7, 766. R-P7, 767. R-P7, 768. R-P7, 769. R-P7, 770. R-P7, 771. R-P7, 772. R-P7, 773. R-P7, 774. R-P7, 775. R-P7, 776. R-P7, 777. R-P7, 778. R-P7, 779. R-P7, 780. R-P7, 781. R-P7, 782. R-P7, 783. R-P7, 784. R-P7, 785. R-P7, 786. R-P7, 787. R-P7, 788. R-P7, 789. R-P7, 790. R-P7, 791. R-P7, 792. R-P7, 793. R-P7, 794. R-P7, 795. R-P7, 796. R-P7, 797. R-P7, 798. R-P7, 799. R-P7, 800. R-P7, 801. R-P7, 802. R-P7, 803. R-P7, 804. R-P7, 805. R-P7, 806. R-P7, 807. R-P7, 808. R-P7, 809. R-P7, 810. R-P7, 811. R-P7, 812. R-P7, 813. R-P7, 814. R-P7, 815. R-P7, 816. R-P7, 817. R-P7, 818. R-P7, 819. R-P7, 820. R-P7, 821. R-P7, 822. R-P7, 823. R-P7, 824. R-P7, 825. R-P7, 826. R-P7, 827. R-P7, 828. R-P7, 829. R-P7, 830. R-P7, 831. R-P7, 832. R-P7, 833. R-P7, 834. R-P7, 835. R-P7, 836. R-P7, 837. R-P7, 838. R-P7, 839. R-P7, 840. R-P7, 841. R-P7, 842. R-P7, 843. R-P7, 844. R-P7, 845. R-P7, 846. R-P7, 847. R-P7, 848. R-P7, 849. R-P7, 850. R-P7, 851. R-P7, 852. R-P7, 853. R-P7, 854. R-P7, 855. R-P7, 856. R-P7, 857. R-P7, 858. R-P7, 859. R-P7, 860. R-P7, 861. R-P7, 862. R-P7, 863. R-P7, 864. R-P7, 865. R-P7, 866. R-P7, 867. R-P7, 868. R-P7, 869. R-P7, 870. R-P7, 871. R-P7, 872. R-P7, 873. R-P7, 874. R-P7, 875. R-P7, 876. R-P7, 877. R-P7, 878. R-P7, 879. R-P7, 880. R-P7, 881. R-P7, 882. R-P7, 883. R-P7, 884. R-P7, 885. R-P7, 886. R-P7, 887. R-P7, 888. R-P7, 889. R-P7, 890. R-P7, 891. R-P7, 892. R-P7, 893. R-P7, 894. R-P7, 895. R-P7, 896. R-P7, 897. R-P7, 898. R-P7, 899. R-P7, 900. R-P7, 901. R-P7, 902. R-P7, 903. R-P7, 904. R-P7, 905. R-P7, 906. R-P7, 907. R-P7, 908. R-P7, 909. R-P7, 910. R-P7, 911. R-P7, 912. R-P7, 913. R-P7, 914. R-P7, 915. R-P7, 916. R-P7, 917. R-P7, 918. R-P7, 919. R-P7, 920. R-P7, 921. R-P7, 922. R-P7, 923. R-P7, 924. R-P7, 925. R-P7, 926. R-P7, 927. R-P7, 928. R-P7, 929. R-P7, 930. R-P7, 931. R-P7, 932. R-P7, 933. R-P7, 934. R-P7, 935. R-P7, 936. R-P7, 937. R-P7, 938. R-P7, 939. R-P7, 940. R-P7, 941. R-P7, 942. R-P7, 943. R-P7, 944. R-P7, 945. R-P7, 946. R-P7, 947. R-P7, 948. R-P7, 949. R-P7, 950. R-P7, 951. R-P7, 952. R-P7, 953. R-P7, 954. R-P7, 955. R-P7, 956. R-P7, 957. R-P7, 958. R-P7, 959. R-P7, 960. R-P7, 961. R-P7, 962. R-P7, 963. R-P7, 964. R-P7, 965. R-P7, 966. R-P7, 967. R-P7, 968. R-P7, 969. R-P7, 970. R-P7, 971. R-P7, 972. R-P7, 973. R-P7, 974. R-P7, 975. R-P7, 976. R-P7, 977. R-P7, 978. R-P7, 979. R-P7, 980. R-P7, 981. R-P7, 982. R-P7, 983. R-P7, 984. R-P7, 985. R-P7, 986. R-P7, 987. R-P7, 988. R-P7, 989. R-P7, 990. R-P7, 991. R-P7, 992. R-P7, 993. R-P7, 994. R-P7, 995. R-P7, 996. R-P7, 997. R-P7, 998. R-P7, 999. R-P7, 1000. R-P7, 1001. R-P7, 1002. R-P7, 1003. R-P7, 1004. R-P7, 1005. R-P7, 1006. R-P7, 1007. R-P7, 1008. R-P7, 1009. R-P7, 1010. R-P7, 1011. R-P7, 1012. R-P7, 1013. R-P7, 1014. R-P7, 1015. R-P7, 1016. R-P7, 1017. R-P7, 1018. R-P7, 1019. R-P7, 1020. R-P7, 1021. R-P7, 1022. R-P7, 1023. R-P7, 1024. R-P7, 1025. R-P7, 1026. R-P7, 1027. R-P7, 1028. R-P7, 1029. R-P7, 1030. R-P7, 1031. R-P7, 1032. R-P7, 1033. R-P7, 1034. R-P7, 1035. R-P7, 1036. R-P7, 1037. R-P7, 1038. R-P7, 1039. R-P7, 1040. R-P7, 1041. R-P7, 1042. R-P7, 1043. R-P7, 1044. R-P7, 1045. R-P7, 1046. R-P7, 1047. R-P7, 1048. R-P7, 1049. R-P7, 1050. R-P7, 1051. R-P7, 1052. R-P7, 1053. R-P7, 1054. R-P7, 1055. R-P7, 1056. R-P7, 1057. R-P7, 1058. R-P7, 1059. R-P7, 1060. R-P7, 1061. R-P7, 1062. R-P7, 1063. R-P7, 1064. R-P7, 1065. R-P7, 1066. R-P7, 1067. R-P7, 10



# FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3BY  
Telegrams: Finantime, London F94. Telex: 896341/2, 893897  
Telephone: 01-243 8000

Saturday February 3 1979

## The sooner the better

**HISTORICAL PARALLELS** can be illuminating, but also misleading. History rarely repeats itself exactly, and present events are not just a replay of 1974-75, when Mr. Heath was defeated by the miners and wage increases soared to over 30 per cent. The pay escalation of the mid-1970s came after a sharp depreciation of sterling and an explosive increase in the money supply. It was further aggravated by threshold agreements offered in the autumn of 1974 in the false expectation that inflation would be only 7 per cent, an expectation blown sky high by the combination of a five-fold increase in the price of oil and a weak pound.

**Settlement**  
Politically there are some parallels with 1951, when Mr. Bevan and Sir Harold Wilson resigned from the Attlee Government on health service charges and defence spending. From then on a deal which seemed to come over the post-war Labour Government, which was eventually defeated in an election near the end of that year. But this should not be pushed too far. Mr. Callaghan's powers of resilience should never be underestimated, and it may be more profitable to concentrate on the economic parallels, which are with 1972.

That year was marked by a large wage settlement for miners, less well remembered than that of 1974, but the occasion when the flying pickets first emerged. Unemployment was then high enough to worry the Heath Government and recovery from the previous recession was still at an early stage. The Government, like most outside economic commentators, became alarmed by the miners' victory and a few other headline settlements. Whether that alarm was justified is not clear even in hindsight as so much depends on the precise wage index used. What is clear however is that as the summer advanced expectations grew of a wage clampdown following the Chequers talks with union leaders. By then there really was an acceleration as union leaders refused to settle while they still could.

**Regulation**  
The present pay explosion marks the end of three and a half years of attempted rigid wage controls. Such controls have built up accumulated resentments, both at the lower end among public service workers who have borne the brunt of the squeeze, and among those with so-called "muscle power," who are seeking to restore relativities which reflect their actual strength.

Control of the money supply is not offered, even by its most enthusiastic exponents, as a short-term method of wage regulation. What it can do is to make sure that pay and price increases do not run away over a period of years. The main way in which monetary restraint works in the private sector in an open economy such as UK's is through its effect on the exchange rate. In the public sector monetary control is closely related to, although not the same as cash limits on public expenditure. The important point here is not an embattled defence of any particular pay norm, but that it should be made clear that an overrule in wages will be offset by other public sector economies including staff reductions. To the extent that these are not politically possible, increases in taxes and rates are very much a second best, although still preferable to increased borrowing. Increased interest rates to finance that borrowing outside the banking system are a third best, not so much because of inflation but because of their long term effects on investment and employment. They are nevertheless still a lesser evil to financing public sector pay increases through the monetary printing press.

**Wage drift**  
Despite a few well publicised settlements there is a good deal of evidence that average private sector wage settlements have at least until recently not been above 10 per cent. Allowing for wage drift this might have produced an earnings increase of around 13 per cent. But if the impression gets around that 15 per cent is the "going rate" it could become self-fulfilling, even though its effect on earnings would be partially offset by lower drift. The tension between tight monetary exchange rate policies and a wage push of this kind would produce recession and rising unemployment.

The dangers are aggravated by political factors. Mr. Callaghan seems at least to be toying with the idea of going to the country on a platform of statutory pay and price controls, if he does not obtain a convincing "Mark 2 Social Contract" from union leaders. Mrs. Thatcher has hinted that an emergency pay freeze might be less bad than becoming embroiled at another attempt at a long-term incomes policy.

But this kind of discussion from both political sides (not to speak of the Liberals) can only aggravate the wage explosion, as people try to get in before the clampdown. From the point of view of the economy the election cannot come a day too soon; and once Mr. Callaghan has decided on his platform it is difficult to see why Labour's prospects should gain from delay.

## THE GOOD citizens of Newcastle today celebrate a British blunder.

Exactly 100 years ago, Sir Joseph Swan, a man from north-east England, demonstrated a working model of his electric lamp to the Newcastle Literary and Philosophical Society. The bulb used an incandescent carbon filament which burned in a vacuum, created by a little vacuum pump. The members—according to the local newspaper—were much impressed.

But Sir Joseph was not of the stuff of which some contemporary north-eastern luminaries are made: he was a sight too modest for his own good. In his view, the bulb was merely a development of earlier attempts, and not worth patenting.

Across the Atlantic, however, so lofty a detachment from commercial realities was known not to turn a buck. Thomas Edison, who is said to have demonstrated his bulb slightly later than Swan, was a lot sharper in getting round to the Patent Office. His British patent was granted in November 1879.

So poor Sir Joseph was beaten in his home market before he had begun. Yet modesty has its own rewards. Sir Joseph was right, his invention really was one link in a chain of innovations, both in the development of the bulb itself and, at least as important, in associated technology which made its creation possible in the first place.

In 1840, William Grove, a member of the Royal Institute, had already made a bulb in which a platinum filament glowed when powered by electricity drawn from a battery. Grove found he could read for some hours by this light but, fearful of going blind—an effect which the Victorians ascribed to diverse causes—he abandoned it and went back to the glaring oil lamp.

Swan himself tried in the late 1840s and 1850s, as did many others who are probably unknown and unsung. Their attempts could not progress beyond the stage of an interesting novelty for two reasons: Carbon, the material which could give an adequate light, required a vacuum to light up; second, there was no reliable continuous supply of electricity. In the 1870s, however, with the advent of the Sprengel vacuum pump and reliable generators, the way was open for more serious endeavours. Hence Swan, Edison, and some others.

Dr. Brian Bowers, deputy keeper of the Science Museum in London, somewhat plays down the simplified account now put forward by the Newcastle Electric Lamp Centenary Committee. At least four inventors, he says, developed a practical lamp: two Americans and two Englishmen. Besides Swan and Edison, they were Hiram S. Maxim, better known for his machine guns, and St. George Lane-Fox.

Lane-Fox had fiddled about with platinum-iridium filaments, but switched to carbon and

patented a carbon lamp in 1879. (His regional authority should be celebrating him this year, too). It was later sold commercially by the Anglo-American Brush Electric Light Company. Maxim's lamp had a carbonised cardboard filament treated with hydrocarbon vapor and then sealed in an evacuated bulb. The U.S. Electric Lighting Company sold lamps for some years, but Maxim ungratefully became a British citizen and was later knighted, though whether for services to illumination or extermination is not known.

From this ruck, Edison's British patent—registered on November 10 1879—emerged as the dominant one. (Lane-Fox's was merely for a subtle improvement.) The Edison patent describes a carbon filament in glass from which the air is evacuated; but at the time of application, neither he nor anyone else had solved the problem of making a bulb that would last. The filaments, which were either carbonised paper or cotton, were extremely delicate. They broke, easily and frequently.

Swan came up with the idea of "parchmentised cotton"—that is, cotton treated with sulphuric acid to harden it, and then carbonised. Later, Edison chose bamboo fibres. Both worked.

Swan, recovered from the shock of Edison's arrival on the scene, chose not to let a patent get in his way. He helped to found a company in Newcastle in 1881, and made up for his previous shyness by calling it the Swan's Electric Light Company with a capital of £100,000. But it was undercapitalised; shortly afterwards, it became one of the constituent parts of the London-based Swan United Electric Light Company, with a capital of £1m, in which Swan was very much a minority shareholder. (He was, by now, more interested in chemicals in any case.)

Edison attacked Swan United with all the fury of a monopolist. He began a massive patent action against the London company, and created a great furor. The Electric Review of the day inquired prophetically: "Is this a sham battle preparatory to a merger?" It was. The Edison and Swan United Electric Light Company was created in 1883.

Having ultimately behaved like gentlemen towards each other, they set about wiping everybody else off the map. They fought a number of legal actions on the basis of their joint patent, suing various companies (including Lane-Fox's). Finally their patents were upheld by a majority judgment of the Appeals Court in 1889, giving them a virtual monopoly. The halcyon days didn't last for long. The Edison 14-year patent ran out in 1893, and two years later, the number of electric light companies jumped from seven to 27, while the price of a lamp halved—a graphic indication of the Edison Swan level of profits.

This rapid sectoral growth could be sustained—the market



Joseph Swan and a replica of the electric lamp he demonstrated in Newcastle on February 3, 1879.

was beginning to boom (and gas shares were plunging). The first Electric Lighting Act was passed in 1882, and municipal electricity supply schemes were developed slowly in the 1880s. Outside the cities, the wealthy bought their own generators.

Technology moved, too. Various metals were tried in place of carbon in the late 1890s, and in 1904 tungsten, which has a very high melting point, was chosen as the most promising route for development. Ductile tungsten wire was developed in 1910 by the U.S. General Electric Company, gas (argon and nitrogen) to fill the bulb and reduce the evaporation of the tungsten came in shortly after. By 1934, the coiled coil tungsten lamp was on the market. Further development of the domestic light bulb technology then came to a complete stop.

Innovations to street and commercial lighting are another story. The intriguing thorium filament lamp, for example, was brought into production before the 1914-1918 war. Thorium's resistance to electricity goes down as it heats up, which was a considerable plus. However,

it had a major disadvantage—in cold weather it had to be warmed up before it would light. When it was introduced into the Fulham borough lighting system in London, the lighting engineers had to wrap scarves round the lights on winter evenings.

In the 1930s, mercury and sodium discharge lamps took off as the tungsten coil seemed to have reached the apparent peak of its perfection. In 1940, the fluorescent tube was invented by the UK General Electric Company in association with British Thomson Houston, though the invention was taken over by American companies. The 1960s saw further innovations—notably the tungsten halogen lamp (where the introduction of a special chemical into the gas allows the pressure to be increased, and the filament to be hotter, and therefore brighter) and high pressure discharge lamps, mainly used for street lighting. Development continues in these areas.

The companies which made and sold the lamps have had a parallel history, often directly influenced by the changing technology. Seven major companies existed in Britain before the 1939-45 war: Osram (GEC),

Mazda, Metropolitan Vickers, Ediswan, Siemens, Crompton Parkinson, and Philips. Now there are four.

The man most responsible for this concentration was Sir Jules Thoro. In 1926, he founded a little lamp company called Allas, which was in the minor league. The development of the fluorescent tube during the war, however, gave him his chance. Seeing the potential of the tube he concluded an agreement with a U.S. company, Sylvania, and began to mass produce fluorescent tubes in 1946.

In 1950, he took over Eeco, another small manufacturer. By 1964, he was able to absorb AEI Lighting, itself a merger of Mazda, Metropolitan Vickers, Ediswan, and Siemens. Thoro Lighting became the dominant force in the lighting industry—ironically, by seizing on an invention made by its great rival, GEC. The other three bulb manufacturers in Britain—smaller in lighting but bigger as companies—remain GEC, Philips and Crompton Parkinson, now a subsidiary of Hawker Siddeley.

Last year, the industry celebrated the last year of its first

century by having a row. The major cause of it was a Scots postgraduate student named Mr. David Meiklejohn, who alleged that the manufacturers deliberately designed their lamps to have a limited life so that their profits might increase. Mr. Meiklejohn, if held, was not original—such allegations are as old as the industry, and have a certain appeal. The concept of planned obsolescence is, like many conspiracy theories, attractive to a public which feels it is constantly paying more for less quality.

Thus, in 1978, the House of Commons Select Committee on Science and Technology bent its endeavours to discovering whether or not the lamp companies had been fooling all of the people all of the time. Its report was judicious.

On the one hand: "We cannot see any reason why the more widespread introduction of 2,000-hour coiled coil bulbs (the standard is 1,000 hours) which are at present only offered by one manufacturer (Thorn Lighting), should cause any great difficulties. . . . The user would benefit by having to change bulbs less frequently and would be no worse off in terms of light (with a 2,000-hour coiled coil bulb) than he would be with 1,000-hour single roll bulbs. We think the industry should be constantly on the alert to improve its marketing approach, particularly as regards the domestic consumer."

On the other: "We can find no evidence to support the contention that UK lamp manufacturers are colluding in order to keep lamp quality unreasonably low. . . . We reject substantially all the criticisms of the performance and the durability of electric lamps manufactured by the UK lighting industry." In short—not guilty, but do better in future.

Thus the men in this industry can celebrate their anniversary with a conscience officially pronounced clear. They may, if they wish, examine their origins, attend the opening today of the exhibition "Joseph Swan—his life and work" by Mr. James Burke of the BBC at the Laing Art Gallery, Newcastle. But it should be revealed that the exhibition is not simply the innocent commemoration of merit unrewarded that it purports to be. Professor Peter Kirby, of Newcastle University, the chairman of the Centenary committee, admitted the deeper purpose.

"I hope that people will get the message that invention is important. As far as the North East is concerned, we want to show that we have been inventive, and we can be again." The North East, of course, needs jobs. Like most regions, it is bidding hard for investment by electronics companies. Towards the end of last year it announced, with some flourish, that a microelectronics research centre was shortly to be opened at Newcastle University. A new story may have begun.

## Letters to the Editor

### Directors

From Mr. R. Carr  
Sir,—Discussion on worker directors appears usually to exclude the very crux of the matter: that employers, like their customers, pay only for what they want or judge necessary, or for the nearest public threat—or for the will to be done. Herculean labours are not worth a penny to those who have no need of them, and payment is not due in principle to self-directed workers.

Moreover employers buy or rent accommodation and equipment to serve their own or their customers' objectives. Should this accommodation and equipment be devoted instead to employee objectives, then upon the employees in plain justice rests the onus of purchase or rent payment.

Worker directors, therefore, as opposed to worker suggestions, make sense as a step towards unpaid, rent-paying, investing worker-entrepreneurs with the right to sell their product or service if they can, and perhaps to persuade their erstwhile employer to sell it for them, if he will. The risk that it will not sell, and that nothing will be received for all their pains, falls fairly enough on those controlling the enterprise, as it always did—only that means on the workers, whereas hitherto investors were the losers.

### Utopia

From Mr. G. McKeeman  
Sir,—Marx's theory of surplus value may be a sieve full of holes but it provides the Marxists with a useful myth worthy of a preservation order. It is a constant reminder of the parasitic nature of capitalism.

According to Marx the value of anything is the labour embodied in it. Labour is entitled to receive the full value of what it creates but does not because the capitalist creams off surplus-value. Come the revolution however justice will be done when the expropriators and retrieve the stolen surplus value. This appears to be the greatest myth of all, for when the capitalist gets have ceased laying their golden eggs, some source other than profit must be found for keeping capital intact, providing for net investment and securing adequate remuneration for the new bureaucracy.

State industry is an unlikely candidate as a substitute for the capitalist as its peculiar genius lies in the achievement of deficit value. No come the revolution the new worker expropriators will have to exploit themselves. They will have helpful precedents to study in previous post-revolutionary bolt-tightening operations designed to secure economic growth.

### Airports

From the Senior Vice President Kurt Salmon Associates  
Sir,—I am reluctant to expand the correspondence about the forced move of airlines serving Spain and Portugal from Heathrow to Gatwick, but I am moved to do so by Mr. Kenrick's letter of January 23.

The reason for this highly disruptive move is due to the continuous lack of consumer orientation in the planning of our airports in this country, which is obvious to anyone who has the misfortune, as I do, to regard Heathrow as his second home. Those of us who regularly travel to the Continent on business choose to live in a part of the Home Counties near to Heathrow and this aspect has been totally ignored in putting the Iberian services at Gatwick. Mr. Kenrick's suggestion that all inter-European flights should use Gatwick would no doubt force the majority of European business travellers to move their homes or give up their businesses.

Far from being a "best solution" such a move would be even further removed from the right approach, which is to develop two, and eventually three, London airports as a city has the size of London certainly requires, with services to major destinations being developed from each in accordance with commercial demand and consumer needs.

### Independent

From Sir Derek Royner  
Sir,—As one of the independent members of the Civil Service Pay Research Unit Board, I should like to thank Mr. Laybourn (January 16) and Mr. Furse (January 22) for their advice on how to discharge my responsibilities.

In response to Mr. Furse's question as to our qualifications for this appointment and our present employment, I shall leave my other colleagues, who are independent members of the Pay Research Unit Board, to reply to Mr. Furse as they think appropriate. For myself I have been a joint managing director of Marks and Spencer since 1973. Additionally, and for nearly three years (1970-72), I was on a full-time leave of absence from my company first to advise the Heath Government on the reorganisation of the procurement of defence equipment and, subsequently for two years, to become the chief executive of the organisation I proposed. For details of the recommendations for that reorganisation, see White Paper Cmd. 4641 but, in brief it abolished the Ministry of Aviation Supply, and brought together the equipment procurement into one organisation within the Ministry of Defence.

An additional qualification for membership of the Pay Research Unit Board is, of course, a willingness to undertake—unpaid—a job which occupies a great deal of time, particularly at weekends, reading the very

### Wealth

From Mr. E. Gurney  
Sir,—The letter from the chairman of the Sound Money League and Tax Payers' Association (January 26) refers to inflation as a means of taxation.

The issue is the confusion of "money" with "wealth" and one of the most significant vehicles for facilitating this confusion is the National Loans Act of 1969 which enables the Treasury to "raise money in such manner and on such terms as (it) thinks fit." The shortfall of revenue by taxation is, therefore, covered by the Government "borrowing requirement" unfortunately the banks regard Treasury bills as "money in the till."

Let us suppose, as they do, that the banks supply finance to a leasing subsidiary. The same money is then spent once more and, furthermore, the lessee will get tax allowance on his rentals and the lessor—surprise, surprise—tax allowance on his capital expenditure. To compound the problem, the equipment or vehicles bought will probably be of foreign manufacture.

### Rebates

From Mr. G. Macdonald  
Sir,—I am often annoyed at the way many strikers are able to obtain tax rebates from their employers. It seems that the employers have to subsidise the strike action taken against them. Many employers think so, too—but they are wrong. There is no obligation on an employer to pay tax rebate either to strikers, or to those who are laid off as a result of a strike, in their company.

It might be helpful for employers to know the following details. They are contained in Regulation 24 of the Income Tax (Employments) Regulations of 1973. If people go on strike or are laid off as the result of a strike on a company site, the company should notify the Inspector of Taxes of those employees striking or laid off. This notice should advise the Inspector of Taxes that the company does not intend to make a tax repayment. This notice should be sent by the first usual pay day after the strike or lay-off begins, then, after the strike or lay-off, the Tax Inspector should have a notice giving the dates of commencement of employment for all individual strikers or those laid off as a result of the strike action.

If more employers would follow this practice the striker would have to wait until at least the end of the tax year before recovery of rebate and this might involve a wait of several months beyond the next April. George Macdonald, 17, Goppeps Lane, Deunton Square, Newcastle-upon-Tyne.

### substantial evidence collected by the Pay Research Unit, and to make myself available to those who wish to give advice. For example, last week some members of the GBI visited me. (Sir) Derek Rayner, Michael House, Boker Street, W1.

# FILL IN AND FOLLOW THE LEADERS

Instant market leaders... all the background you need on over 650 companies listed in the FT Actuaries Index can now be available on your desk in the new EXTEL™ HANDBOOK OF MARKET LEADERS, a quick reference book based on Extel Cards.

The Handbook gives the market leaders in alphabetical order—no filing required—in a self-contained Handbook showing financial record, share price graph, Chairman's forecast, etc.

To: Extel Statistical Services Ltd. 37/45, Paul Street, London EC2A 4PB. Tel. 01-253 3400. Telex 263437.  
Please send details of the Extel Handbook.  
Name \_\_\_\_\_  
Company \_\_\_\_\_  
Address \_\_\_\_\_  
Tel \_\_\_\_\_  
Extel GROUP



Controversy about oil prospecting in a Cotswold beauty spot.

By Anthony Moreton, Regional Affairs Editor

# More power to Guiting Power

ON THE public notice board of the Gloucestershire village of Guiting Power, population 400, there is a notice which says: "Don't let your dog put a dirty mark on Britain."

The plea may be addressed specifically to the village's dog owners. But the implications about how to keep this scenic hamlet clean and tidy have in the past few months reached out to a much wider audience, for industry is about to come to Guiting Power, and the village is deeply divided over whether it wants it.

Guiting Power is one of the "heavenly spots of England." It can stand comparison with Corfe Castle in Dorset, or Hawkeshead in Cumberland, or Easton in Derbyshire. Unlike most other beauty spots, there has been no attempt to lart it up. To begin with, it has its priorities right — just two shops, a post office and two pubs. The pubs are not the sort of places to which people drive miles just to be seen with their dogs, and the shops still sell goods from behind counters.

### New people

Because the village has maintained its character, it has inevitably attracted new people, some to retire in rural seclusion, some to commute to work in Cheltenham or Evesham. Many of them do not like the fact that Consolidated Oil and Gas (UK) has applied to drill a borehole in a corner of a field called Big Drift, just half a mile from the centre of the village. At the heart of their opposition is the argument which is common to many other parts of Britain: how far should industrialisation creep into the countryside?

On Thursday morning a group of officials from the Cotswolds District Council trudged across the fields in the rain to look at the spot where Consolidated wants to drill. They are almost

certain to give the company the go-ahead.

A direct parallel can be made between Guiting Power and the Isle of Purbeck in Dorset, just a couple of miles from Corfe Castle itself, where Gas Council (Exploration) last year found oil on a sizeable scale. Some years ago RIZ was widely criticised for undertaking exploratory work at Coed y Brenin in the Snowdonia national park and the South of Scotland Hydro-Electricity Board was not exactly welcoming with open arms when it searched for uranium in Orkney, though Consolidated Goldfields was more kindly received by the people of the Grampian region.

That Guiting Power is in such fine shape is very much due to the work of one man, Mr. Raymond Cochrane, the Lord of the Manor. Mr. Cochrane owns half of the village's 113 houses and some 1,100 acres of the surrounding land. When he arrived in 1938 some 18 of his houses had been condemned as unfit to live in. He formed an amenity trust to protect his properties and later put the land into the trust in 1974. To some of the villagers it is therefore all the more surprising that he is in favour of the proposal to prospect for oil.

### Jobs for locals

If the concept of providing homes for locals is to be carried to its logical conclusion, then work must be found for them, too — not just driving a van, but something that offers the possibility of expansion.

The opposition, however, is on strong ground when it points out that any oil or gas found in Guiting Power will produce no economic benefit for the village. If the prospecting is successful any oil will either be taken out by large hoppers or pumped by underground pipe to a railroad six miles away.

All the locals will get is the noise and nuisance as 20-ton lorries pound along the narrow lanes and round the sharp bends. This is the land of the B road, not the motorway, and there will be mishaps as the industrial giants mount the verges to allow other cars or herds of cattle to pass.

Consolidated Oil is aware of these seemingly parochial conflicts, even though it operates from headquarters in Calgary, some 7,000 miles away in the heart of Canada's wheat belt where narrow lanes and sharp bends are as common as the

rainbow. It has already undertaken other prospecting in Britain, notably in Highworth, just outside Swindon, and at Sherbourne, in Oxfordshire, a few miles away from Guiting Power. It has a reputation as a considerate firm.

It is the operator for a consortium in which it has a 25 per cent stake, Shell a half share and Teck Corporation, a Canadian oil and mining concern, the rest.

The consortium has all the big guns on its side. Under the Petroleum Production Act of 1934 all oil and gas under land was in effect nationalised. The owner of the land is entitled to no royalties from any oil found though he may negotiate a payment for such things as widening gates, improving roads and replacing hedges. All the revenues from the oil go to the exploration company with the state taking its share in royalties and tax.

In this, the owner of the land is in a very different position from someone on whose property coal is found. A similar coal Act in 1938 put 266m into a kitty to be shared among coal owners, since that amount has long since been exhausted, it is not altogether clear what responsibility the National Coal Board would feel if it came across a big find during its explorations.

A very large hunt for oil is now going ahead on the mainland of Britain, accumulated to a considerable extent by the discoveries in the North Sea. On-shore oil prospecting has one very big advantage over that taking place out at sea — that of cost.

Gas Council (Exploration) — a subsidiary of British Gas — operating on behalf of itself and British Petroleum, made the first big on-shore discovery in the last days of 1977 when it found oil in sizeable quantities

at Wyth Farm, on the Isle of Purbeck.

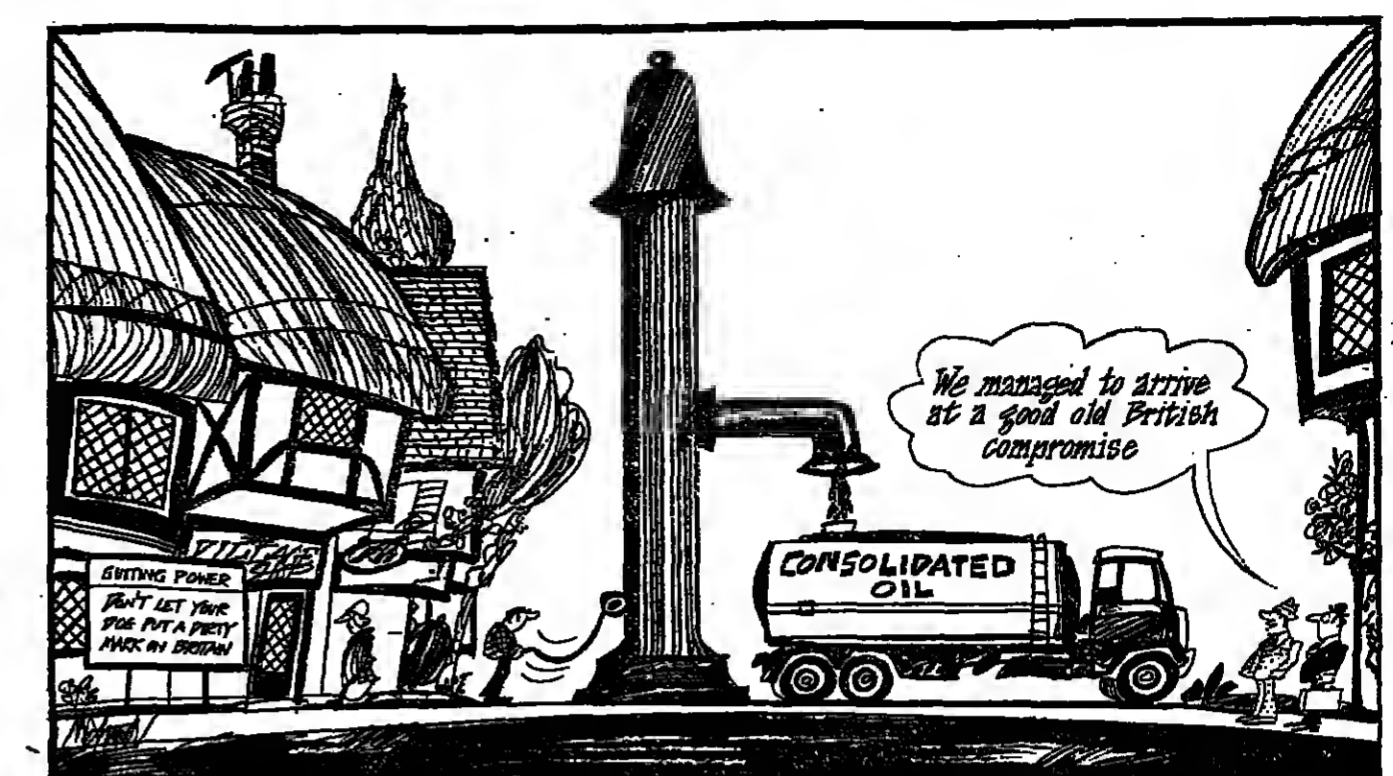
The Wyth Farm field is believed to be equal in size to a medium-sized North Sea field, probably bigger than Argyll and about the size of Auk. But whereas an offshore field costs about £500m to develop, Wyth Farm will probably not set GCE back by more than £10m.

GCE went to great lengths to protect the countryside, which contained the Dartford Warbler, a rare bird, some vanishing heathland and some rare crickets and grasshoppers. Consolidated Oil is just as aware of the needs of conserving the countryside and is unlikely to act differently to GCE.

orange smoke and the smell from many chemical works is equalled only by that from a sewage farm.

There is another argument: there is already some industrialisation on Guiting Power's doorstep, so why cavil at a little more? The industry is, in fact, a quarry and quarries (which do the area) cause a lot more noise and scar the countryside far more deeply than any oil field will.

On the same notice board in the village as that warning the dogs (via their owners) there was an application from the BBC to erect a relay mast 98.5 ft high: another manifestation of



industrialisation and a despoiler of the village. But few people made a fuss about this.

Even if oil comes to Guiting Power, the village's inhabitants are unlikely to abandon all resistance to any further industrial inroads, even though they are not sure what form future resistance should be. Like similar communities elsewhere watching the countryside vanish at an unacceptably fast rate, Guiting Power has no desire to see Britain suffer the same fate as Japan where it is now virtually impossible to find a quiet rural retreat within reach of any of the major cities.

But there is no escaping the fact that when industry — any industry — intrudes into the countryside the countryside suffers. Sometimes those effects can be minimised. The National Coal Board creates a landscape rather like the surface of the moon with its open-cast operations but it also restores the land as soon as afterwards. The way the Wyth Farm field has been developed is a very good example of social awareness.

But it is not always easy to combine this with commercial prudence. The roads around St. Austell are covered in china clay dust, the steelworks at Port Talbot belt out a filthy

NUM executive on pay. Crown Agents Bill second reading in Commons. Meeting of Confederation of Shipbuilding and Engineering Workers, Imperial Hotel, London. Sir John Methven, director general of Confederation of British Industry, at British Industrial Measuring and Control Apparatus Manufacturers' Association luncheon, Cafe Royal, London. Provisional figures of vehicle production (January).

FRIDAY — Central Government financial transactions (including borrowing requirement) (January).

TODAY — Prime Minister is opening speaker at two-day Labour Party Local Government Conference, City Hall, Newcastle.

SUNDAY — Mr. David Ennals, Secretary for Social Services, main speaker on second day of Labour Party Local Government Conference, Newcastle.

MONDAY — Mr. Gordon Richardson, Governor of the Bank of England, and Mr. Jacques de Larosiere, managing director of the International Monetary Fund, are principal speakers at Overseas Bankers Club banquet, Guildhall, London. Trades Union Congress economic committee meets Ministers, Congress House, London. EEC Agriculture Ministers open two-day meeting in Brussels. Provisional January figures for wholesale prices. Statement by House Builders Federation on house-building prospects. Hire purchase and other instalment credit business (December).

TUESDAY — House of Commons debates disruption of education services. EEC Foreign Ministers meet in Brussels. Meeting of National Union of Mineworkers and National Coal Board negotiators. London clearing banks' monthly statement (mid-January).

WEDNESDAY — Prime Minister is chairman of National Economic Development Council monthly meeting to discuss industrial strategy. Special meeting of TUC general council, Congress House, London. Dr. David Owen, Foreign Secretary, speaks at Foreign Press Association luncheon, Savoy Hotel, London. International Monetary Fund auction 470,000 ounces of gold, Washington.

THURSDAY — Full meeting of

## Weekend Brief

### New reels

WHILE the rest of British industry is reeling under the blows of economic unrest, filmmaking, the one sector which usually plays Cinderella to everyone else's Prince Charming is having something of a promising start. The British film industry has had a quite remarkable first few weeks of 1979. Lord (Lew) Grade's unveiling of Black Lion Films, which will make material aimed at the British TV and cinema screens, comes after the setting up of Southern Pictures, with which Southern Television hopes to break into the international film business. It also coincides with indications that Grade has at last found a box office blockbuster with *Capricorn One* and that brother Lord (Bernard) Deifont is about to change EMI fortunes with *Deer Hunter*, a film which shows promise of being Britain's first box office rival to *Star Wars* and *Jaws*.

If only half of the promise turns out to be fact then the film business is in for one of its best years since the mid-1960s. Unfortunately there are a few grey clouds. Trident-Barber's excursions into filmmaking had an inauspicious start with *Four Feathers* and does not seem to have improved with *Somebody Killed Her Husband*, in spite of the presence of the delightful Farrah Fawcett Majors.

Grade's man in day-to-day charge of Black Lion is Charles Denton, who reckons that even now the pressure on British film

capacity is such that getting post-production facilities, such as cutting and editing, at short notice is extremely difficult.

Black Lion will operate separately from Grade's ITC, which will continue with its international emphasis. Artistically, you may not approve of the Porridge film (from the TV series) as a first effort for Black Lion, but at least it is work for the British studios. Incidentally, according to Grade himself the BBC does not get a penny from the Porridge film rights, thanks to the author's retention of such ancillary privileges.

EMI seems to be in an agonisingly delightful position in that it does not know whether or not to boast about *Deer Hunter*. It ran for one brief week in the U.S. last year in order to qualify for Oscar nominations and reopens later this month. So far, according to Grade himself, the BBC does not get a penny from the Porridge film rights, thanks to the author's retention of such ancillary privileges.

EMI seems to be in an agonisingly delightful position in that it does not know whether or not to boast about *Deer Hunter*. It ran for one brief week in the U.S. last year in order to qualify for Oscar nominations and reopens later this month. So far, according to Grade himself, the BBC does not get a penny from the Porridge film rights, thanks to the author's retention of such ancillary privileges.

### Hard times

MEANWHILE the BBC has its own problems with its much vaunted Shakespeare series. Although the domestic market was offered the £7m series with much fanfare, little mention was made of the fact that some £1.75m of the seed money was coming from American sponsors.

With any luck this long term project will be to some extent self-financing if not self-liquidating. Overseas sales should help to produce some of the money needed to finance the later parts of the series. British shyness about discussing

such ugly things as money and sponsors is not shared in the U.S. where Exxon (Esso), Metropolitan Life Insurance and Morgan Guaranty have been happy to talk about their show and the amount of cash they have put into it.

In America, the sponsor, and the BBC's U.S. partners, Time-Life, have made great play of selling the series for educational use.

An educational programme has been produced with Teled Inc. and Stone Associates of Los Angeles which will send more than 27,000 secondary schools across the country an extensive package of audiovisual materials designed to coordinate class room assignments with TV performances. At the university and two year college level the University of California has prepared a course of study (funded by the National Endowment for the Humanities) to accompany the Shakespeare series and will distribute it to more than 300 universities and colleges.

So far there is little indication that the British Ministry of Education is willing to capitalise on this British product in anything like such a spectacular way.

Apart from TV and the universities, American National Public Radio plans to present a series of radio broadcasts to go along with the TV plays. Radio stations from coast to coast will broadcast as a "Shakespeare Festival" a biographical series and documentaries on the life and times of the author.

Meanwhile, of course, the BBC is still knee-deep in its arguments over who is going to play Othello in the series. Until now the Corporation has always insisted that when it involves itself in sponsored shows and co-productions it never allows the nasty foreigners to involve themselves in programme content. Now it has emerged that the Americans are simply not going to tolerate a blacked-up British white man as Othello when there are around such eminent American black actors as James Earl Jones, arguably the best Othello in the world at the moment. British Equity says it will not allow an American on the set in this part. Thus we have a transatlantic impasse. Othello, needless to say, has been put off. Mr. Jones, meanwhile, waits in the wings.

### Milky way

The British can thank the milk bottle for the fact that they are the only people in the EEC to have milk delivered to their homes seven days a week. That it is left on the front doorstep, the back step, on the coal bunker or even in a special hanging bowl in the front garden is thanks to the goodwill and remarkable memory of the average milkman.

It was 4.30 am when we, the milkman and I, set out to plough a furrow through the thickening snow while striking railwaymen, lorry drivers, school caretakers and ambulance drivers slumbered late into the morning. In the pitch dark, with not even a glimmer from a rogue street lamp, we arrived at the garage where the electric milk floats are left on charge overnight.

The journey from there to the dairy, two miles away, to load up with crates is painfully slow and very cold: a milk float has no heater and its sliding doors

are prone to slide open all too well.

But at the dairy, all is light and bustle, with a bevy of boys, aged between 10 and 12, banging around hoping to get taken on to floats as temporary helpers, for 50p a morning, before being dropped off just before 9 o'clock at the points nearest their schools.

Milk, lemonade, sausages, bread, eggs and potatoes — all are counted and loaded on to the float. And we set out on the round, again painfully slowly.

Men are very fit men, running everywhere and, if no one is looking, leaping fences. It all helps to keep the cold out. Otherwise, on a freezing winter morning, shining torches to distinguish the gold top from the silver and the lemonade from the orangeade, the chill would be intense.

Carefully washed tin cans left out by the householder are equally carefully placed upside down over the bottle tops, notes in bottles (or little wooden cymbals) are read by torchlight and the instructions followed, special signals are observed — a light left on here means leave 1 pint; no light means no milk.

The notes can be a nuisance: too often a changed order means a double journey to the same house which could have been avoided had 24 hours' notice of today's requirements been given.

A bottle is broken: its top and a fragment of the glass are carefully rescued to be taken back to the dairy and produced in order to secure the accounts.

Dawn begins to break and a small boy appears, sent out to find the milkman and get a packet of cornflakes for breakfast. Taking the family's three pints tucked in his arms, too, he struggles back through the snow and into the warmth.

With the dawn comes a fine, freezing rain, penetrating several layers of clothes and making it almost impossible to lift the bottles out of the crates, let alone carry six or eight empties back at a time, suspended from our hands like cows' udders.

For the milkman, who has never even stopped once for a hot drink from the vacuum flask his helper has brought along, it has been a normal morning. And the extra, though inexperienced, help has cut the time needed to do the seven-day week round this morning by an hour.

Back at the dairy, Mr. Ronald Angel, Home Counties Regional Dairy Manager with Co-operative Retail Services, is supervising the repair of a conveyor belt. It should be carrying washed bottles around to be filled; instead the cold has affected it, too, and something has cracked. But the plastic cartons, stacked ready for shipment to local Co-op supermarkets where they will sell for 1p or 1.5p more than the pints left on customers' doorsteps, are unaffected by the hold-up.

The cartons cost 1.69p each, but can be used only once; the milk bottle costs 5.4p, but makes an average of 50 trips. And electric floats, slow though they are, are far-and-away the cheapest form of transport for the job, providing a service unobscured probably anywhere.

Contributors:

Arthur Sandles, Caroline Hyde, Patti Reali and Pat Walker.

## Economic Diary

TODAY — Prime Minister is opening speaker at two-day Labour Party Local Government Conference, City Hall, Newcastle.

SUNDAY — Mr. David Ennals, Secretary for Social Services, main speaker on second day of Labour Party Local Government Conference, Newcastle.

MONDAY — Mr. Gordon Richardson, Governor of the Bank of England, and Mr. Jacques de Larosiere, managing director of the International Monetary Fund, are principal speakers at Overseas Bankers Club banquet, Guildhall, London. Trades Union Congress economic committee meets Ministers, Congress House, London. EEC Agriculture Ministers open two-day meeting in Brussels. Provisional January figures for wholesale prices. Statement by House Builders Federation on house-building prospects. Hire purchase and other instalment credit business (December).

TUESDAY — House of Commons debates disruption of education services. EEC Foreign Ministers meet in Brussels. Meeting of National Union of Mineworkers and National Coal Board negotiators. London clearing banks' monthly statement (mid-January).

WEDNESDAY — Prime Minister is chairman of National Economic Development Council monthly meeting to discuss industrial strategy. Special meeting of TUC general council, Congress House, London. Dr. David Owen, Foreign Secretary, speaks at Foreign Press Association luncheon, Savoy Hotel, London. International Monetary Fund auction 470,000 ounces of gold, Washington.

THURSDAY — Full meeting of



Americans are also feeling the energy crunch and turning back their thermostats. To help ward off the patriotic chill is an item called by the manufacturer the Snug-Sack. It is a quilted comforter resembling a sleeping bag with arms. Handy if staying in one place to read or watch television this item retails at between \$20-40.

The Snug-Sack was so popular this season that the original manufacturer Heritage House is putting \$1.5m into expanding its North Carolina plant. Heritage alone shipped 1.1m pieces this year and the industry projects 4.5m pieces to be sold by the end of the season, according to the trade publication, *Home Furnishings Daily*. Among the other interesting products out on the market in the same vein is a Game Bag — a quilted bag to be worn at outdoor sporting events and the Snug-Suit, a Snug-Sack with legs for people with chilly homes and a desire to roam.



## "A Nationwide Capital Bond pays us guaranteed extra interest every month."

You've got some capital, but don't want to spend it. Put it to good use. Invest in a Nationwide Capital Bond.

Extra Interest for 4 years	9.00%	13.43%
Extra Interest for 3 years	9.00%	13.43%
Extra Interest for 2 years	8.50%	12.69%
Share Account	8.00%	11.94%

where your capital is guaranteed to earn extra interest above our prevailing Share Account rate.

You can invest any sum between £50 and £15,000 (£30,000 for a joint account) and leave it for 2, 3 or 4 years. A 2 year Nationwide Capital Bond pays 1/2% extra interest above the ordinary rate. A 3 or 4 year Bond pays 1% extra interest. And you can have your interest paid monthly.

There are over 375 Nationwide branches. Call in at the one nearest you, or post the coupon.

To: Nationwide Building Society, FREEPOST, London WC1V 6XA.  
I wish to receive a cheque for £..... to be invested as indicated.

NAME (PRINT) \_\_\_\_\_  
 FULL ADDRESS (including post code) \_\_\_\_\_  
 Date \_\_\_\_\_ FT3

## It pays to decide Nationwide



UK COMPANY NEWS

Companies and Markets

Hirst & Mallinson 35% growth in mixed year

WITH SECOND-HALF profits advancing from £113,400 to £230,000 Hirst and Mallinson has made up the ground lost in the first six months and the pre-tax figure for the year ended October 26, 1978, emerges 35 per cent ahead at £445,100.

cover catering equipment distribution, software international removals, pharmaceuticals and textiles.

comment Hirst and Mallinson's second half recovery is much in line with market predictions, and fully-earns profits show an increase of 35 per cent.



Lord Kissin, chairman of Guinness Peat.

Brigay near break even

RECOVERY to near breakeven operation was achieved by Brigay Group in the first half of 1978-79 following 12 months of a possible takeover approach.

Interim profit fall at Guinness Peat

GROUP PROFITS to date of the Guinness Peat Group are lower than those of the comparable period of last year, the directors state in their interim report.

The group's interests cover commodity broking and dealing, commodity processing, merchanting, chemicals and pharmaceuticals, insurance broking and banking, and food distribution and property.

Sekers rights to raise £0.4m—forecasting higher profit

Sekers International, manufacturer of furnishing and dress fabrics, is raising £0.4m net by way of a rights issue to finance future expansion.

Issues by companies accounted for more than 85 per cent of the total through six rights issues of ordinary shares amounting to £27.8m.

vestment Plan. This aims at providing investors with a flexible tax efficient savings vehicle providing maximum investment of the contributions by keeping the death tax low without affecting the tax qualifications.

New capital issue

Statistics compiled by Midland Bank show that the amount of "new money" raised in the UK by the issue of marketable securities in January was £32.3m, an amount almost identical to the £32.7m raised in January 1978, but the lowest monthly figure since October.

Sun Alliance linked life

Sun Alliance Linked Life Insurance, the linked life member of the Sun Alliance Group, has extended its product range by launching a regular premium contract—the Sun Alliance Insurance.

GRA Property turns in £551,000

ON TURNOVER up from £9.63m to £10.66m taxable profits of GRA Property Trust, the greyhound racing, catering and property group, rose from £273,000 to £551,000 in the year to October 31, 1978.

Marine & General Assce. pension expansion

The start of the new State pension scheme proved beneficial last year to Marine and General Assurance, which recorded a 20 per cent increase in its new annual premiums tripled from £82,000 in 1977 to £246,000 last year, most of this growth coming from pension business.

improved by 20p per cent to £4.30 per cent of the basic benefit and attaching bonuses.

Results due next week

Next week's Stock Exchange list is very thin with only 30 companies scheduled to make pre-tax announcements.

foods division, which contributes around 20 per cent of sales and profits. A 10 per cent increase in the dividend is a popular guess among the analysts.

(£11.05m) rising to at least £30m (£33.05m) for 1979.

Table with columns: Company, Announcement date, Dividend (p), Last year, This year, Company, Announcement date, Dividend (p), Last year, This year.

Hardy cuts first-half losses to £240,000

FIRST-HALF losses before tax of Hardy and Co. (Furnishers) were reduced from £84,000 to £240,000. And the Board says although there is much still to be done they are confident the steady climb back to profitability will continue.

Table titled 'DIVIDENDS ANNOUNCED' with columns: Company, Current payment, Date of payment, Current dividend, Total last year, Total last year.

Baker's Stores up to £0.42m

AN ADVANCE from £225,101 to £324,225 in pre-tax profit is reported by Baker's Household Stores (Leeds) for the year ended September 30, 1978.

Technology Inv. ahead

PRE-TAX revenue of the Technology Investment Trust advanced from £450,953 to £509,492 in the half year to November 30, 1978.

£0.32m rise for Scottish United

PRE-TAX revenue of Scottish United Investors rose from £2,520 to £2,840 in the year to December 31, 1978.

Stoddard unchanged midway: home market more buoyant

WITH THE whole of the sales increase—from £9.85m to £11.77m—coming in the home market, taxable profits of Stoddard Holdings were at a virtual standstill at £26,000, against £40,000 in the half-year to November 30, 1978.

industrial unrest and consequent unemployment is at a peak. Export trade has been restricted as free access to the ports has been denied, and in addition, the winter has been unusually severe.

Ratcliffe declines to £71,000

TAXABLE profits of F. S. Ratcliffe Industries slipped from £114,753 to £71,361 in the half year to October 31, 1978.

Profits and new models in sight for motor side at Reliant

A RETURN to profits by the motor company and further progress overall are in view for the current year at Reliant Motor Holdings, says Mr. J. Nash, the chairman.

the group, under a new management team, was turned round from a £416,000 pre-tax loss at mid-year to a £120,000 profit at the end of the year.

Coates Bros. (South Africa)

TURNOVER of Coates Brothers (South Africa) improved marginally from R14.3m to R14.8m in the year ended October 31, 1978, but pre-tax profits fell to R1.9m compared with R2.2m previously.

M. J. Gleeson warns on six months' profit

Results of M. J. Gleeson (Contractors) for the half-year to December 31, 1978, are unlikely to be as favourable as those of the previous year, Mr. J. P. Gleeson, chairman, told the annual meeting.

BRITISH INV. TRUST

At an AGM called for February 28, British Investment Trust will propose that the authorised capital be increased from £19.5m to £22.1m by the creation of 10m ordinary shares of 25p.

ICI CONVERSION

Imperial Chemical Industries announces that holders of 14,662 £1.00 6 per cent convertible guaranteed bonds due 1997 have to date exercised their right of conversion into ICI ordinary stock. The number of bonds outstanding is 85,338.

\* Dividends shown not pence per share and adjusted for any intervening scrip issues.



MINING NEWS

New Australian coal moves

BY STEPHEN THOMPSON

AUSTRALIA'S diversified industrial group, Howard Smith, has gained control of the New South Wales Coal Producer R. W. Miller (Holdings) through the purchase of Ampol Petroleum's 33.17 per cent stake for A\$24.4m (£18.9m) reports the Sydney correspondent.

Cominco's 1978 profit

THANKS to a recovery in the third quarter, 1978 net earnings of the Canadian metals and mining group Cominco increased modestly to C\$63m (£26.5m), or C\$3.33 a share, compared with C\$62.2m, or C\$3.43 a share, in 1977.

Sun Life Pensions in good position

The investment managers of Sun Life Managed Pension Fund adopted a policy of building up liquidity in the fund towards the end of 1978. They regarded the outlook for both the gilt and the equity market in the early months of 1979 and they considered that they are now in a good position to take advantage of movements in both markets.

HOUSE OF GURKHAS

The House of Gurkhas has been ordered to be compulsorily wound up by Mr. Justice Vinelott in the High Court.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

The bids and deals sector continued to attract a great deal of attention with several new situations emerging, while discussions involving three separate possible mergers proved fruitless and were terminated.

PRELIMINARY RESULTS

Table with columns: Company, Year to, Pre-tax profit (£000), Earnings\* per share (p), Dividends\* per share (p). Includes companies like A.C.E. Machy, Aaronson Bcos, Abbey Panels, etc.

RIGHTS ISSUE

Barco Dean: One-for-three at 60p.

SCRIP ISSUES

Lonsdale Universal: One-for-four.

INTERIM STATEMENTS

Table with columns: Company, Half-year to, Pre-tax profit (£000), Interim dividends\* per share (p). Includes companies like Arcon Trust, Brengren Hldgs, etc.

BIDS AND DEALS

Reed may redeem all, or part, of Canadian debentures

In the face of speculative activity in debenture stocks of Reed Paper on the Toronto market, Reed International announced that it might redeem all or part of them.

Geo. Wills to pay extra 53%

IN A cash and shares deal George Wills and Sons (Holdings), the importer and exporter, has agreed to acquire the capital of Jack Kleeman (Merchants), a toy and fancy goods importer and distributor.

Sime Darby arranges another loan facility

Sime Darby Holdings caused funds from Malaysia. The new facility and the \$50m facility from the Union Bank of Switzerland announced in January amount to \$215m. This is just below the \$121m cash needed for the bid at the existing level.

BPM MOVES INTO GREETING CARDS

BPM HOLDINGS, the Midlands newspaper group, has paid £1.05m for a 75 per cent stake in Super-cards, a 46 shop chain retailing greeting cards, costume jewellery and giftwares through the north west of England and North Wales.

NU-SWIFT IN HOLLAND

NU-SWIFT Industries has acquired for £211,275 from a Dutch subsidiary of the Chubb Group, the capital F Mark-Ten BV of Arnhem, Holland.

WE'RE RICH! JOIN US!

We, Peter Whitfield and Bob Tanner, starting with £75 each — have made millions in shares (Clubman's Club, Orme Developments, etc).

SABAH TIMBER

The Scheme of Arrangement whereby Sabah Timber became a wholly owned subsidiary of Harrison and Crossfield has been sanctioned by the High Court and become effective.

EDMUNDSON ELECTRICAL

The 1977 profits of Edmundson Electrical, the Charterhouse subsidiary to be sold to Consolidated Electrical Distributors, were £60,000, not £5.5m as stated yesterday.

LONRHO/FRASER

Lonrho has completed the purchase of the third tranche of House of Fraser shares which it

SELECTED RISK

Shares of Selected Risk Investments, the financial trust, were suspended on the Stock Exchange at the company's request at £4.50. An announcement is expected.

SHARE STAKES

T. Cowie — T. Cowie on October 5, 1977, sold 25,000 shares at 38p, on October 17 sold 5,000 at 35p, and on November 17 he bought 100,000 shares at 33p.

A HORROR STORY for Director/Shareholders. A financial analysis showing a corporation with £100,000 profit, £52,000 tax, and a net amount available for shareholders of £48,000.

EUROPEAN OPTIONS EXCHANGE. Table with columns: Series, Vol., Last, etc. Includes options for various stocks like ABN, AKZ, etc.

CLIVE INVESTMENTS LIMITED. 1 Royal Exchange Ave., London EC3V 3LU. Tel: 01-893 1101.

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD. 45 Cornhill, London, EC3V 3PE. Tel: 01-423 6514.

IT DOESN'T HAVE TO BE THAT WAY! If you'd like a dramatic change, why not contact us? And if your financial year end is imminent, please hurry.

LISTENED TO THEM TODAY? THE FINANCIAL TIMES INDEX & BUSINESS NEWS SUMMARY. Look for the number in your phone book.



WORLD STOCK MARKETS

Companies and Markets

Wall St. retreats on Iran crisis

INVESTMENT DOLLAR PREMIUM \$2.60 to \$1-96 1/2 (18%) Effective \$1.9800 4 1/2 (18%)

STOCKS RETREATED in slow trading on Wall Street yesterday, when traders took profits on the gains scored in January following the continuing political confrontation in Iran and the implication for rising oil prices.

The Dow Jones Industrial Average gave way 6.24 to 834.63, making a fall of 0.32 on the week while the NYSE All Common Index, at \$55.79, shed 21 cents on the day and \$1.20 on the week. Declines led advances of 729-869, while the trading volume further decreased 2.53m shares to 23.35m.

FRIDAY'S ACTIVE STOCKS

Table with columns: Stock, Change, High, Low. Includes stocks like Carrier, McGraw-Hill, Gardner Denver, etc.

Except for some early firmness, the Stock Market ignored a big drop in the Money Supply and a cut in the Prime Rate by First Pennsylvania Bank to 11 1/2 per cent in the open market.

The dollar finished about unchanged. Volume leader Carrier lost \$1 to \$26. United Technologies, off \$1 to \$89, plans to buy Carrier shares in the open market.

Mission Insurance dropped \$5 to \$32. American International Group, off \$1 to \$51 1/2, withdrew its offer to pay \$38 a piece for Mission shares.

The American SE Market Value Index rose 0.47 to 159.25, reducing its loss on the week to 3.10.

Canada Markets were mostly easier yesterday, although the Gold Share Index shot up 47.7 to 1544.8.

The Toronto Composite Index shed 1.1 to 1349.6. Metals and Minerals 5.3 to 1503.4, Utilities 0.55 to 196.25, Banks 0.57 to 316.97 and Papers 0.31 to 157.27.

Platinum: Tins firmer. Industrials quietly steady. AUSTRALIA: A late run on Resources stocks brought markets to a stronger close.

PARIS—Generally firmer on some institutional support. Properties, Investments, Foods, Constructions, Stores, Electricals and Oils all gained ground.

U.S. stocks, Golds and Oils steady. Coppers mixed, Dutch and German shares weaker. AMSTERDAM: Mixed to lower, with Phillips firm in otherwise easier Dutch Internationals.

NEW YORK

Table of stock prices for various companies in New York, including Abbott Labs, AM International, Aetna Life & Co., etc.

Table of stock prices for various companies in New York, including Dana, Dart Industries, Deere, etc.

Table of stock prices for various companies in New York, including Revlon, Johnson & Johnson, Johnson & Johnson, etc.

NEW YORK - DOW JONES

Table showing Dow Jones indices for various sectors like Industrial, Utilities, etc.

STANDARD AND POORS

Table showing Standard and Poors indices for various sectors like Industrial, Utilities, etc.

F.T. CROSSWORD PUZZLE No. 3888

A prize of £5 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London, EC4P 3DY.

RACING BY DOMINIC WIGAN

Blue Maid has right Sandown credentials

BLUE MAID from John Thorne's small but highly successful Bridgewater stables seems to have the right credentials necessary to lift today's Stooze's Ginger Wine Chase at Sandown.

Drawer is copy - Lords ruling

THE House of Lords yesterday restored a judgment that Swiss Products Ltd. has copied the thermoplastic drawer designed by L.B. (Plastics) and had infringed copyright of drawings.

SPAIN

Table of stock prices for various companies in Spain, including Aalard, Banco Central, Banco Exterior, etc.

BRAZIL

Table of stock prices for various companies in Brazil, including Accelto, Banco do Brasil, Banco Itaun, etc.

GERMANY

Table of stock prices for various companies in Germany, including AEG, Allianz, Bayer, etc.

PARIS

Table of stock prices for various companies in Paris, including Rente 4 1/2, Air Liquide, Agip, etc.

STOCKHOLM

Table of stock prices for various companies in Stockholm, including AGAAB, ASEA, Alfabo, etc.

BRUSSELS/LUXEMBOURG

Table of stock prices for various companies in Brussels/Luxembourg, including Arbed, Bekart, Belfort, etc.

COPENHAGEN

Table of stock prices for various companies in Copenhagen, including Andelsbanken, Danmarks Bank, etc.

MILAN

Table of stock prices for various companies in Milan, including Agnelli, Anic, Ansaldo, etc.

AMSTERDAM

Table of stock prices for various companies in Amsterdam, including Ahold, Agip, Alkerm, etc.

CANADA

Table of stock prices for various companies in Canada, including Abitibi Paper, Alcan, Alcan Aluminum, etc.

TOKYO

Table of stock prices for various companies in Tokyo, including Asahi Glass, Asahi Denso, etc.

VIENNA

Table of stock prices for various companies in Vienna, including Creditanstalt, Perinor, etc.

JOHANNESBURG

Table of stock prices for various companies in Johannesburg, including Anglo American, Anglo Coal, etc.

OSLO

Table of stock prices for various companies in Oslo, including Aker, Aker Brygge, etc.

INDUSTRIALS

Table of stock prices for various industrial companies, including Agfa, Agfa-Anor, etc.

SECURITIES

Table of stock prices for various securities, including Agfa, Agfa-Anor, etc.

SOLUTION AND WINNERS OF PUZZLE No. 3882

Table showing crossword puzzle solutions and winners' names and addresses.

SOLUTION TO PUZZLE No. 3887

Table showing crossword puzzle solutions for puzzle No. 3887.

SOLUTION AND WINNERS OF PUZZLE No. 3882

Table showing crossword puzzle solutions and winners' names and addresses.

SOLUTION AND WINNERS OF PUZZLE No. 3882

Table showing crossword puzzle solutions and winners' names and addresses.



INTERNATIONAL COMPANIES and FINANCE

\$25m offer for ailing Swiss bank

By Our Financial Staff
NE OF Switzerland's major regional banks is to be taken over by the Swiss Bank Corporation in a deal worth around \$25m.

Massey-Ferguson negotiating sale of shareholding in Spanish motor group

BY DAVID GARDNER IN BARCELONA

MOTOR IBERICA, the Barcelona-based truck and tractor manufacturer is undergoing an important reappraisal of its ownership which could make it the only Spanish-owned company in the fast growing automotive sector.

Massey-Ferguson is already planning the sale of part of its UK-based subsidiary, Perkins Engines, the largest maker of diesel engines in Europe.

seriously. Combined with the sale of a minority holding in Perkins Engines, such a move would undoubtedly ease Massey's balance sheet pressures.

Fairchild doubles earnings for 1978

By Max Wilkinson

FAIRCHILD, the U.S. semiconductor and instrument company yesterday reported earnings of \$24.7m for 1978, double the figure for the previous year.

Kennecott optimism despite setback in final quarter

BY DAVID LASCELLES IN NEW YORK

KENNECOTT COPPER, which recently reached a truce in its takeover battle with Curtiss-Wright, yesterday reported a sharp drop in fourth quarter earnings, but predicted that performance would improve in the coming years.

Mr. Thomas Barrow, chief executive officer, said that while he was not pleased with these results, he was gratified that Kennecott had managed to stem its negative cash flow.

Big turnaround for Japanese oil producer

By Yoko Shibata in Tokyo

ARABIAN OIL, the Japanese oil producer with concessions in Saudi Arabia and Kuwait had higher net profits of ¥1,328bn (\$857m) for the year 1978, a turn around from a loss of ¥522bn.

Roussel Uclaf stays well ahead

BY TERRY DODSWORTH IN PARIS

THE VIGOROUS first-half recovery of Roussel Uclaf, the French pharmaceutical, veterinary and perfumes group was not sustained at quite the same pace in the last six months of 1978, according to preliminary figures issued yesterday.

Germany, has been following a policy of diversification in recent years and pushing hard into overseas markets, where it now generates about 61 per cent of its sales.

business in recent years towards the health sector, plant control chemicals and agro-veterinary products. It also bought the Rochas perfume and cosmetics business in 1975.

The First Viking Commodity Trusts
Commodity OFFER 43.2
Trust BID 41.0
Double OFFER 37.9
Option Trust BID 36.0

Net profit of Swiss Bank AG fell by 10.7 per cent last year to SwFr 4.83m. Despite this decline, the board recommends distribution of an unchanged dividend of SwFr 260 per share, with SwFr 2.5m to be transferred to reserves.

Andelsbanken dividend up

BY HILARY BARNES IN COPENHAGEN

ANDELSBANKEN, the first of the large Danish banks to publish 1978 results, proposed an increase in the dividend from 11 per cent to 12 per cent after increasing net earnings by Dkr 50m to Dkr 115m (\$22.5m).

Swedish insurer to pay more

By William Dulforsen in Stockholm

SKANDIA, the Swedish insurance company, improved earnings on its non-life business from SKr 172m to SKr 490m (\$113m) last year. The Board is recommending an increase of SKr 1.50 to SKr 6.50 a share in the dividend.

Uniroyal stake taken by Gulf & Western

Gulf and Western Industries, one of the largest U.S. conglomerates, announced that it had bought 6.1 per cent of the equity of Uniroyal, the third largest U.S. rubber fabricator and a leading tyre manufacturer, reports Stewart Fleming from New York.

Uniroyal stake taken by Gulf & Western Industries, one of the largest U.S. conglomerates, announced that it had bought 6.1 per cent of the equity of Uniroyal, the third largest U.S. rubber fabricator and a leading tyre manufacturer, reports Stewart Fleming from New York.

Campbell Soup buys ITT European food outlets

CAMPDEN - Campbell Soup has agreed to acquire four European food units of International Telephone and Telegraph Corporation. The terms were not disclosed.

Campbell, a food products manufacturer, said the acquisition, which is subject to governmental approval, will give it entry into the frozen foods business in Europe and will expand its canned food and specialty cookie businesses there.

More switch to Toronto

BY ROBERT GIBBENS IN MONTREAL

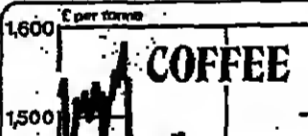
ABOUT 100 head office accounting and financial staff of Du Pont, Canada, the major chemical and fibres group, are being moved from Montreal to Toronto for reasons of "operating efficiency," Total employees at Montreal head office will drop below 400.

It is the third major head office staff move by Du Pont out of Montreal since 1970. The weight of its operations has been moving towards Ontario in the west.

COMMODITIES/Review of the week
Copper price rise accelerates

BY OUR COMMODITIES STAFF

THE RISE in copper accelerated yesterday taking prices on the London Metal Exchange to the highest level for nearly three years.



also rose to new peaks, despite the earlier trend in gold. Cocoa prices on the London futures market ended a five-day decline on Monday when the May position advanced by 225 a tonne.

Cash wirebars climbed \$30.5 to close at \$245 a tonne, a gain of \$30.5 on the week. The three-month quotation was \$77.25 higher on the week at \$957, and moved even higher in late trading when the New York copper market rose the permissible limit up.

The market shrugged off forecasts of a relatively small fall in warehouse stocks, to be announced on Monday, and bouts of heavy profit-taking sales. Throughout the week, very active trading conditions, any decline in prices appears to have been used as a buying opportunity and the market has quickly climbed up again.

The decline in cocoa values continued to be encouraged by reports of better-than-expected West African cocoa crops set against the disappointing consumption trend.

A significant feature has been sustained "borrowing" (buying cash and selling an equivalent amount forward at the same time) which has reduced the cash price discount to only \$12 a tonne and widening its premium over the three months quotation to more than \$44.

However, the main lobe of the week's upsurge has been the copper market, which has been encouraged by reports of a decline in Ghana cocoa purchases. But when this was confirmed on the following day, most speculators took their profits and values slipped back.

The decline in cocoa values continued to be encouraged by reports of better-than-expected West African cocoa crops set against the disappointing consumption trend.

The "bullish" mood of the market has also been encouraged by a further series of domestic increases by U.S. producers taking prices to the highest level since 1974.

However, the main lobe of the week's upsurge has been the copper market, which has been encouraged by reports of a decline in Ghana cocoa purchases. But when this was confirmed on the following day, most speculators took their profits and values slipped back.

The decline in cocoa values continued to be encouraged by reports of better-than-expected West African cocoa crops set against the disappointing consumption trend.

Although it was planned to cut back shipments, many traders believe this will happen. They also feel that Zambian output may be reduced even further because of transport and production problems.

However, the main lobe of the week's upsurge has been the copper market, which has been encouraged by reports of a decline in Ghana cocoa purchases. But when this was confirmed on the following day, most speculators took their profits and values slipped back.

The decline in cocoa values continued to be encouraged by reports of better-than-expected West African cocoa crops set against the disappointing consumption trend.

The rise in copper fuelled sharp rises in the other metal markets too. Lead rose to new all-time peaks, with the cash price jumping by \$37.5 to \$555 a tonne and widening its premium over the three months quotation to more than \$44.

However, the main lobe of the week's upsurge has been the copper market, which has been encouraged by reports of a decline in Ghana cocoa purchases. But when this was confirmed on the following day, most speculators took their profits and values slipped back.

The decline in cocoa values continued to be encouraged by reports of better-than-expected West African cocoa crops set against the disappointing consumption trend.

Stocks are expected to show a small decline but there were reports of further buying interest from Communist bloc countries.

However, the main lobe of the week's upsurge has been the copper market, which has been encouraged by reports of a decline in Ghana cocoa purchases. But when this was confirmed on the following day, most speculators took their profits and values slipped back.

The decline in cocoa values continued to be encouraged by reports of better-than-expected West African cocoa crops set against the disappointing consumption trend.

The tin rallied strongly and the cash price gained \$205 on the week to \$7,155 a tonne, despite easing yesterday. Aluminium and zinc values also followed the upward trend in copper with substantial price increases.

However, the main lobe of the week's upsurge has been the copper market, which has been encouraged by reports of a decline in Ghana cocoa purchases. But when this was confirmed on the following day, most speculators took their profits and values slipped back.

The decline in cocoa values continued to be encouraged by reports of better-than-expected West African cocoa crops set against the disappointing consumption trend.

Silver and platinum prices were also up at \$1,331 a tonne.

However, the main lobe of the week's upsurge has been the copper market, which has been encouraged by reports of a decline in Ghana cocoa purchases. But when this was confirmed on the following day, most speculators took their profits and values slipped back.

The decline in cocoa values continued to be encouraged by reports of better-than-expected West African cocoa crops set against the disappointing consumption trend.

MARKET REPORTS
BASE METALS

COPPER - Forward metal spurred over the week to new peaks, despite the earlier trend in gold.

Table with columns: Metal, Unit, Price, Change, % Change. Includes Copper, Lead, Zinc, Tin, Silver, and Platinum.

Unassigned Metal Trading reported that the market for base metals was active and prices were generally higher.

The decline in cocoa values continued to be encouraged by reports of better-than-expected West African cocoa crops set against the disappointing consumption trend.

Stocks are expected to show a small decline but there were reports of further buying interest from Communist bloc countries.

Silver and platinum prices were also up at \$1,331 a tonne.

GRAINS

LONDON FUTURES (GAPTA) The market was quiet and featureless, trade higher in the cross currency values to ease a little. Thus old crop wheat closed 5/10p down and old crop barley 1/10p down.

Table with columns: Grain, Price, Change, % Change. Includes Wheat, Barley, and Oats.

WHEAT - Yesterday's + or - change. Includes various wheat grades and their price movements.

BARLEY - Yesterday's + or - change. Includes various barley grades and their price movements.

SILVER - Silver was fixed 0.7p an ounce lower for spot delivery in the London bullion market.

COCOA - Cocoa futures remained steady throughout a featureless day with the Ghana purchase figures being largely discounted.

COCOA - Yesterday's + or - change. Includes various cocoa grades and their price movements.

COFFEE - ROBUSTA coffee futures opened 52 1/2p higher following the general sentiment of the market following last night's steady close.

COFFEE - Yesterday's + or - change. Includes various coffee grades and their price movements.

AMERICAN MARKETS

PRECIOUS METALS closed sharply higher in the cross currency values to ease a little. Thus old crop wheat closed 5/10p down and old crop barley 1/10p down.

Table with columns: Metal, Price, Change, % Change. Includes Gold, Silver, and Platinum.

WHEAT - Yesterday's + or - change. Includes various wheat grades and their price movements.

BARLEY - Yesterday's + or - change. Includes various barley grades and their price movements.

SILVER - Silver was fixed 0.7p an ounce lower for spot delivery in the London bullion market.

COCOA - Cocoa futures remained steady throughout a featureless day with the Ghana purchase figures being largely discounted.

COCOA - Yesterday's + or - change. Includes various cocoa grades and their price movements.

COFFEE - ROBUSTA coffee futures opened 52 1/2p higher following the general sentiment of the market following last night's steady close.

COFFEE - Yesterday's + or - change. Includes various coffee grades and their price movements.

INDICES

Table with columns: Index Name, Value, Change, % Change. Includes Dow Jones, S&P 500, and Nikkei.

FINANCIAL TIMES - Table with columns: Index Name, Value, Change, % Change. Includes various financial indices.

MOODY'S - Table with columns: Index Name, Value, Change, % Change. Includes Moody's indices.

REUTERS - Table with columns: Index Name, Value, Change, % Change. Includes Reuters indices.

Wool Futures - Table with columns: Index Name, Value, Change, % Change. Includes wool futures prices.

MEAT/VEGETABLES - Table with columns: Index Name, Value, Change, % Change. Includes meat and vegetable prices.

Wool Futures - Table with columns: Index Name, Value, Change, % Change. Includes wool futures prices.

MEAT/VEGETABLES - Table with columns: Index Name, Value, Change, % Change. Includes meat and vegetable prices.

Wool Futures - Table with columns: Index Name, Value, Change, % Change. Includes wool futures prices.

Wool Futures

LONDON GREASY - Close in order buyer, seller, business, sales. Includes various wool futures prices.

MEAT/VEGETABLES - Table with columns: Index Name, Value, Change, % Change. Includes meat and vegetable prices.

Wool Futures - Table with columns: Index Name, Value, Change, % Change. Includes wool futures prices.

MEAT/VEGETABLES - Table with columns: Index Name, Value, Change, % Change. Includes meat and vegetable prices.

Wool Futures - Table with columns: Index Name, Value, Change, % Change. Includes wool futures prices.

MEAT/VEGETABLES - Table with columns: Index Name, Value, Change, % Change. Includes meat and vegetable prices.

Wool Futures - Table with columns: Index Name, Value, Change, % Change. Includes wool futures prices.

MEAT/VEGETABLES - Table with columns: Index Name, Value, Change, % Change. Includes meat and vegetable prices.

Wool Futures - Table with columns: Index Name, Value, Change, % Change. Includes wool futures prices.



BRITISH FUNDS (566)

Table listing various British funds with columns for fund name, date, and price. Includes funds like British American, British Commonwealth, and British Overseas.

1500 TREASURY SLIP 1978 11300 5210

Table listing Treasury slip values and other financial instruments.

CORPORATIONS (16)

Table listing various corporations and their financial details.

10.553300 59-6440 33-62410

Table listing various financial instruments and their values.

PUBLIC BONDS (6)

Table listing public bonds and their details.

COMMONWEALTH GOVTS (3)

Table listing Commonwealth government securities.

FOREIGN STOCKS (4)

Table listing foreign stocks and their prices.

BANKS (121)

Table listing various banks and their financial data.

BREWERS (124)

Table listing various breweries and their details.

COMMERCIAL (225)

Table listing various commercial entities and their financials.

Stock Exchange dealings

Table showing stock exchange activity for Thursday, February 1, 1979, including various indices and market movements.

The last week records all-time... The number of dealings recorded on Thursday...

The list below gives the prices at which bargains done by members of the Stock Exchange...

Table listing various stock exchange deals and prices.

APPOINTMENTS

Executive posts at Baring Brothers

Mr. G. G. F. Barnett, Mr. N. D. Brown, Mr. J. J. Conolly... Mr. R. W. Peck has been appointed regional director...

Mr. Rex M. Christie has been appointed managing director of BRITANIA SPORTSWEAR COMPANY... Mr. Stuart Harrison, a director of the Slims Group...

Mr. H. P. Graef has been appointed marketing director of GSPK (ELECTRONICS)... Mr. John W. Parsons has been made managing director of ITR INTERNATIONAL TIME.

Mr. Anthony Alcock has been appointed financial director of DATA RECORDING EQUIPMENT... Mr. Roger V. Senez has been made vice-president of European operations of G.M.M. SPARKS PLUG COMPANY...

Mr. L. N. A. Flockhart, managing director of SMITH KLINE AND FRENCH LABORATORIES... Mr. A. Bertelsen, managing director of CELCON, has been made chairman of the company...

Mr. W. L. Handley has been appointed executive director of DOWTY MINING EQUIPMENT... Mr. G. W. L. Roach has been appointed managing director of ODEX...

Mr. L. N. A. Flockhart, managing director of SMITH KLINE AND FRENCH LABORATORIES... Mr. A. Bertelsen, managing director of CELCON, has been made chairman of the company...

Mr. W. L. Handley has been appointed executive director of DOWTY MINING EQUIPMENT... Mr. G. W. L. Roach has been appointed managing director of ODEX...

Mr. L. N. A. Flockhart, managing director of SMITH KLINE AND FRENCH LABORATORIES... Mr. A. Bertelsen, managing director of CELCON, has been made chairman of the company...

Mr. W. L. Handley has been appointed executive director of DOWTY MINING EQUIPMENT... Mr. G. W. L. Roach has been appointed managing director of ODEX...

Mr. L. N. A. Flockhart, managing director of SMITH KLINE AND FRENCH LABORATORIES... Mr. A. Bertelsen, managing director of CELCON, has been made chairman of the company...

Mr. W. L. Handley has been appointed executive director of DOWTY MINING EQUIPMENT... Mr. G. W. L. Roach has been appointed managing director of ODEX...

Table listing various financial instruments and their values.

The list below gives the prices at which bargains done by members of the Stock Exchange...

The number of dealings recorded on Thursday...

Table listing various stock exchange deals and prices.

APPOINTMENTS

Mr. G. G. F. Barnett, Mr. N. D. Brown, Mr. J. J. Conolly... Mr. R. W. Peck has been appointed regional director...

Mr. Rex M. Christie has been appointed managing director of BRITANIA SPORTSWEAR COMPANY... Mr. Stuart Harrison, a director of the Slims Group...

Mr. H. P. Graef has been appointed marketing director of GSPK (ELECTRONICS)... Mr. John W. Parsons has been made managing director of ITR INTERNATIONAL TIME.

Mr. Anthony Alcock has been appointed financial director of DATA RECORDING EQUIPMENT... Mr. Roger V. Senez has been made vice-president of European operations of G.M.M. SPARKS PLUG COMPANY...

Mr. L. N. A. Flockhart, managing director of SMITH KLINE AND FRENCH LABORATORIES... Mr. A. Bertelsen, managing director of CELCON, has been made chairman of the company...

Mr. W. L. Handley has been appointed executive director of DOWTY MINING EQUIPMENT... Mr. G. W. L. Roach has been appointed managing director of ODEX...

Mr. L. N. A. Flockhart, managing director of SMITH KLINE AND FRENCH LABORATORIES... Mr. A. Bertelsen, managing director of CELCON, has been made chairman of the company...

Mr. W. L. Handley has been appointed executive director of DOWTY MINING EQUIPMENT... Mr. G. W. L. Roach has been appointed managing director of ODEX...

Mr. L. N. A. Flockhart, managing director of SMITH KLINE AND FRENCH LABORATORIES... Mr. A. Bertelsen, managing director of CELCON, has been made chairman of the company...

Mr. W. L. Handley has been appointed executive director of DOWTY MINING EQUIPMENT... Mr. G. W. L. Roach has been appointed managing director of ODEX...

Mr. L. N. A. Flockhart, managing director of SMITH KLINE AND FRENCH LABORATORIES... Mr. A. Bertelsen, managing director of CELCON, has been made chairman of the company...

Mr. W. L. Handley has been appointed executive director of DOWTY MINING EQUIPMENT... Mr. G. W. L. Roach has been appointed managing director of ODEX...

Mr. L. N. A. Flockhart, managing director of SMITH KLINE AND FRENCH LABORATORIES... Mr. A. Bertelsen, managing director of CELCON, has been made chairman of the company...

Mr. W. L. Handley has been appointed executive director of DOWTY MINING EQUIPMENT... Mr. G. W. L. Roach has been appointed managing director of ODEX...

SINGAPORE

Table listing various financial instruments and their values in Singapore.

INDUSTRIALS

Table listing various industrial companies and their financials.

TRADE

Table listing various trade-related financial instruments.

FINANCIAL

Table listing various financial institutions and their details.

GOVERNMENT

Table listing various government-related financial instruments.

UTILITIES

Table listing various utility companies and their financials.

RETAIL

Table listing various retail companies and their financials.

PROPERTY

Table listing various property-related financial instruments.

Large advertisement for 'SINGAPORE' featuring various financial and business services, including insurance and investment options.



Table of financial data including company names, share prices, and market indices. Includes sections for 'INVESTMENT TRUSTS (191)', 'MINE - South African (56.1)', and 'MINE - West African (-)'. Lists various trusts and mining companies with their respective share prices and market movements.

Table of financial data including company names, share prices, and market indices. Includes sections for 'MINE - Australian (17)', 'MINE - Miscellaneous (109)', and 'MINE - Rhodesian (7)'. Lists various mining companies and their market performance.

Table of financial data including company names, share prices, and market indices. Includes sections for 'MINE - Diamond (8)', 'PROPERTY (149)', and 'MINE - South African (56.1)'. Lists various mining and property-related companies.

Table of financial data including company names, share prices, and market indices. Includes sections for 'MINE - Rhodesian (7)', 'MINE - South African (56.1)', and 'MINE - West African (-)'. Lists various mining companies and their market performance.

Table titled 'LOCAL AUTHORITY BOND TABLE'. Lists various local authority bonds with columns for Authority, Annual Interest, Minimum Investment, and Life. Includes entries like Barnsley Metro, East Lindsey, and Exeter.

Table titled 'BUILDING SOCIETY RATES'. Lists various building societies with columns for Deposit rate, Share price, and other financial details. Includes entries like Abbey National, Alliance, and Halifax.

Table titled 'UK RAILWAY (1)'. Lists railway companies and their financial data. Includes entries like British Railways, London Midland, and Southern Railway.

Table titled 'FOREIGN RAILWAYS (2)'. Lists foreign railway companies and their financial data. Includes entries like Armvill-Toulouse, British Commonwealth, and Canadian National.

Table titled 'BUILDING SOCIETY RATES'. Lists various building societies with columns for Deposit rate, Share price, and other financial details. Includes entries like Abbey National, Alliance, and Halifax.

Table titled 'UK RAILWAY (1)'. Lists railway companies and their financial data. Includes entries like British Railways, London Midland, and Southern Railway.

Table titled 'FOREIGN RAILWAYS (2)'. Lists foreign railway companies and their financial data. Includes entries like Armvill-Toulouse, British Commonwealth, and Canadian National.

Table titled 'CURRENCIES, MONEY and GOLD'. Contains sections for 'UK MONEY MARKET', 'EXCHANGES AND BULLION', 'LONDON MONEY RATES', 'EURO-CURRENCY INTEREST RATES', and 'CURRENCY MOVEMENTS'. Provides detailed market analysis and data for various currencies and gold prices.

Table titled 'EXCHANGE CROSS RATES'. Lists exchange rates for various currencies including Pound Sterling, U.S. Dollar, Deutsche Mark, Japanese Yen, and others.

Table titled 'SPECIAL LIST'. Lists various securities and their prices. Includes entries like Anglo-Argentine Trains, Canals & Docks, and Waterworks.

Table titled 'SPECIAL LIST'. Lists various securities and their prices. Includes entries like Anglo-Argentine Trains, Canals & Docks, and Waterworks.

Table titled 'SPECIAL LIST'. Lists various securities and their prices. Includes entries like Anglo-Argentine Trains, Canals & Docks, and Waterworks.



Companies and Markets

LONDON STOCK EXCHANGE

Equities still defy serious labour situation but Gilts react further and close at lowest since March 1977

Account Dealing Dates
Option
\*First Declared Last Account
Dealings (tous Dealings Day
Jan. 15 Jan. 25 Jan. 26 Feb. 6

It took 98 per cent bid before
closed 12 better on balance at
961 per cent. Yesterday's SE
conversion factor was 0.6688

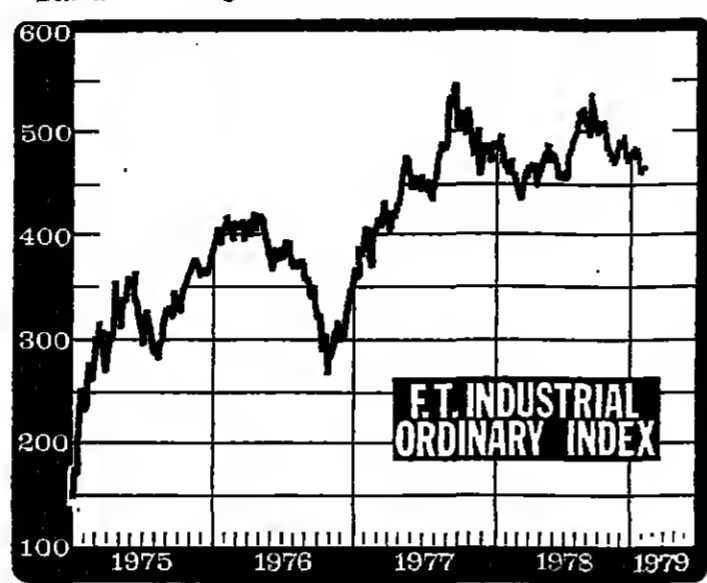
Yesterday's activity in Traded
Options failed to keep pace with
the previous day's record level
and 704 contracts were com-

Motor Distributors met a good
business and generally finished
at higher levels. Glaxoed

Midland Counties Trust now hold
27.5 per cent of David Dixon
limited the latter 4 to 150p, a rise

Profits-taking in RTZ
After moving ahead strongly
all week in the wake of the boom

FINANCIAL TIMES STOCK INDICES
Table with columns for indices: Government Secs, Fixed Interest, Industrial, Gold Mines, etc. and rows for Feb. 2, 1979, Jan. 31, 1979, Jan. 26, 1979, and a year ago.



Showing the same resilient
trend for which they have been
notable all week, the equity
sections of Stock Markets yester-

Up 11 on Thursday, Caledonian
Holdings rose 5 to 88p compared
with London and Midland Indus-

Other Properties continued to
benefit from the effects of the
recent batch of bullish brokers'

Oil leaders good
Leading Oil shares were quick
to respond to a reasonably good

Shipments teared easier, with
oil scattered offerings to close 21
lower at 82p.

Options
In English Property, Mills and
Allen, Bank and Commercial,

HIGHS AND LOWS S.E. ACTIVITY
Table with columns for High, Low, High, Low, and rows for Govt Secs, Fixed Int., Ind. Ord., Gold Mines, etc.

The last-named possibility,
however, contributed to fresh
easiness throughout Gilt-edged

Chris Moran dull
A Press report that the company
is being investigated over the

Other Properties continued to
benefit from the effects of the
recent batch of bullish brokers'

Oil leaders good
Leading Oil shares were quick
to respond to a reasonably good

Shipments teared easier, with
oil scattered offerings to close 21
lower at 82p.

Options
In English Property, Mills and
Allen, Bank and Commercial,

DEALING DATES
Table with columns for First Dealings, Last Dealings, Declared, and rows for Jan. 23, Feb. 6, etc.

In the equity sectors, the
emphasis stayed on secondary
issues. Individual sections

Chris Moran dull
A Press report that the company
is being investigated over the

Other Properties continued to
benefit from the effects of the
recent batch of bullish brokers'

Oil leaders good
Leading Oil shares were quick
to respond to a reasonably good

Shipments teared easier, with
oil scattered offerings to close 21
lower at 82p.

Options
In English Property, Mills and
Allen, Bank and Commercial,

NEW HIGHS AND LOWS FOR 1978/9
Table with columns for Share, New Highs and Low for 1978/9, and rows for various companies like BHP, Anglo American, etc.

Leading shares were again
overshadowed and, after being
slightly harder for most of the

Chris Moran dull
A Press report that the company
is being investigated over the

Other Properties continued to
benefit from the effects of the
recent batch of bullish brokers'

Oil leaders good
Leading Oil shares were quick
to respond to a reasonably good

Shipments teared easier, with
oil scattered offerings to close 21
lower at 82p.

Options
In English Property, Mills and
Allen, Bank and Commercial,

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Leading shares were again
overshadowed and, after being
slightly harder for most of the

Chris Moran dull
A Press report that the company
is being investigated over the

Other Properties continued to
benefit from the effects of the
recent batch of bullish brokers'

Oil leaders good
Leading Oil shares were quick
to respond to a reasonably good

Shipments teared easier, with
oil scattered offerings to close 21
lower at 82p.

Options
In English Property, Mills and
Allen, Bank and Commercial,

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

RISES AND FALLS
Table with columns for Up, Down, Same, and rows for British Funds, Govt. and Foreign Bonds, etc.

LONDON TRADED OPTIONS
Table with columns for Option, Price, Vol., and rows for BP, Shell, etc.

YESTERDAY—ACTIVE STOCKS
Table with columns for Stock, Denomina., No., and rows for Shell Transport, RTZ, etc.

RECENT ISSUES
Table with columns for Issue, Price, and rows for BOC Intl, Boots, etc.

ON THE WEEK
Table with columns for Stock, Denomina., No., and rows for Shell Transport, RTZ, etc.

EQUITIES
Table with columns for Issue, Price, and rows for various companies.

BASE LENDING RATES
Table with columns for Bank, Rate, and rows for A.B.N. Bank, Allied Irish, etc.

FIXED INTEREST STOCKS
Table with columns for Issue, Price, and rows for various companies.

BASE LENDING RATES
Table with columns for Bank, Rate, and rows for A.B.N. Bank, Allied Irish, etc.

"RIGHTS" OFFERS
Table with columns for Issue, Price, and rows for various companies.

BASE LENDING RATES
Table with columns for Bank, Rate, and rows for A.B.N. Bank, Allied Irish, etc.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table containing EQUITY GROUPS & SUB-SECTIONS, FIXED INTEREST PRICE INDICES, and FIXED INTEREST YIELDS. Includes various sub-sections like Capital Goods, Building Materials, etc.

BASE LENDING RATES
Table with columns for Bank, Rate, and rows for A.B.N. Bank, Allied Irish, etc.



AUTHORISED UNIT TRUSTS

Table of authorised unit trusts including Abbey Unit Tr. Mgrs., James Finlay Unit Trust Mngt. Ltd., and various other trust managers with their respective fund names and details.

Table of insurance and property bonds including various life insurance policies, annuities, and investment products offered by different companies.

INSURANCE AND PROPERTY BONDS

Table of insurance and property bonds including various life insurance policies, annuities, and investment products offered by different companies.

OFFSHORE AND OVERSEAS FUNDS

Table of offshore and overseas funds including various international investment vehicles, mutual funds, and trusts with their respective managers and details.

CORAL INDEX: Close 464-469 and INSURANCE BASE RATES table showing various rates and percentages.

NOTES section containing additional information, disclaimers, and contact details for the fund providers.











**SEE YOUR TAILOR FOR JEROME'S GLETTWIST SUITINGS**

MANCHESTER

# FINANCIAL TIMES

Saturday February 3 1979

**SKIPTON BUILDING SOCIETY**

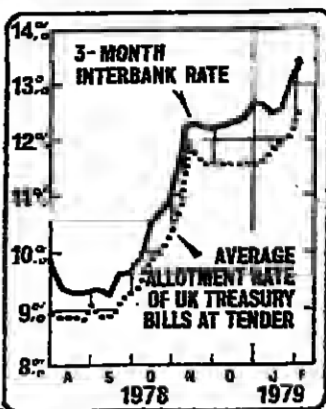
Investment Grade Assets Directly Held  
in High Quality Residential Property  
in the UK and Overseas  
Tel: 025 254 7111 (09:30-5:00)  
Assets exceed £100 million  
Reserves exceed £70 million

THE LEX COLUMN

## Ruffled feathers at Eagle Star

Eagle Star is not amused. Yesterday morning, its proposed cash offer of 44p per share for the 73 per cent of English Property Corporation which it does not already own was brusquely rejected. That prompted a stream of mixed metaphors about prodigal sons biting the hands that fed them: It also prompted Wereldhave, the wily Dutch bidder which started the bid auction back in December, to bump up its own from 37p to 46p per share cash. That was enough for Eagle Star, which has agreed to sell out its former protege at this price provided no one else comes up with anything better.

Index fell 1.2 to 467.3



In his chairman's statement with the accounts Sir Eric had an explanation that the expenditure of some £280,000 had been in connection with an abortive European venture.

According to the special statement on April 16, the matter had arisen "since the issue of the preliminary announcement". The inspectors report now makes it clear that Price Waterhouse had been seeking explanations for many months concerning three particular items—sum of £70,000 paid out to stockbroker Lewis Atham, a diamond necklace costing £65,000, and a deposit with Keyser Ullmann of £130,000 plus accrued interest. Only the second and third items were, in fact, claimed at the board meeting on April 14 to have been linked to the European transaction.

Such a qualification appearing in the accounts of a major company would, of course, cause a stir, but to stockbroker Lewis Atham, a comparatively small and unimportant property company, in the City and the property world it was well known that it was being run by a flamboyant figure with an over-lavish expense account (but he was by no means the only one). Evidence of the inadequacy of Peachey's shortcomings in financial controls was already there in plenty—it had, after all, taken 11 months to produce the 1974-75 accounts. Sir Eric was a newsworthy figure because of his associations with politicians and football clubs. But he was never of major financial importance.

The Press should have been more persistent. But if Price Waterhouse were not prepared to insist on much more detail being included in the accounts at the time, and were unwilling to contradict some of the claims being made by the company to shareholders it is hard to see how the story could have been cracked from the outside. The language of these qualifications has become so obscure that the full message is not being communicated to shareholders.

Which is not to say that the decision to qualify the accounts did not produce results. Clearly the diligence of the auditors put pressure on Sir Eric himself. It must also have concentrated the minds of the rest of the board—the potential threat to him was from within the company rather than from outsiders, and that was how the drama moved to its conclusion a year later.

English Property vigorously denies that it has in any way attempted to take advantage of its biggest shareholder in order to see off the Dutchmen. It says that it has handed over all the information which Eagle Star required, and stuck to an agreed timetable. But there is no doubt that it has been cutting things fine: the first closing date of Wereldhave's original bid was next Monday, yet English Property has not yet come out with a formal defence document.

Its property revaluation, which is due to be published this weekend, will presumably hold few surprises for Eagle Star. And it is going to have a very uphill task in its efforts to persuade its other shareholders that what has always been regarded as its best friend has sold out too cheaply. It is just possible that the Seventh Cavalry could still show up in time—a third potential bidder has now shown its face, in the shape of a large private Canadian company called Olympia and York Developments. But discussions are still at a very preliminary stage, and this looks like a rather forlorn hope.

Equities While the trend in gilt-edged has been in no doubt over the last few weeks, equities have maintained the finest of balances. When the FT 30-Share Index slipped down through 470 in mid-January it was widely expected to take a substantial tumble. But this week institutions have been buying in sufficient quantities to push the index back up towards that level.

The institutions still seem to regard the present level of share prices as reasonably inexpensive. Thanks to the clumsiness of official funding tactics,

Peachey According to the inspectors' report this week on Peachey Property, the company's auditors Price Waterhouse were surprised at the lack of comment after their decision to qualify the 1975 accounts. The auditors' "very serious" reservations hardly raised a eyebrow in the City or in the financial Press. Why was this? The inspectors report does not make quite clear the circumstances in which the qualification appeared. The reference to doubts about information given concerning a missing £282,000 appeared as a short paragraph in the auditors' report following a longer paragraph expressing concern over property valuations totalling £2.9m. A reader could easily assume that the first qualification was ten times as important as the second; and it should be borne in mind that many other property companies at that time had serious qualifications to their accounts in respect of property values.

Moreover Sir Eric Miller had taken care to defuse the impact of the auditors' report. Some three weeks before the accounts were published Peachey had issued a special statement after board discussions "regarding the recovery of moneys which could involve legal proceed-

## Ayatollah steps up the pressure

BY ANDREW WHITLEY AND SIMON HENDERSON IN TEHRAN

AYATOLLAH KHOMAYNI, speaking from the converted girls' school in a poor part of Tehran, which is the headquarters of his Islamic revolution, yesterday called on State employees to increase the paralysis in Iran and bring down the Government. On his first day in Iran after 14 years in exile, the Ayatollah began to get to grips with directing the final stages of a revolution that has already forced the Shah into exile. Throughout the day he received groups of his adoring followers who have marched in their thousands through the streets of Tehran unhindered by the troops on the second of a three-day dispensation from the declared martial law. In several speeches he made during the day the Ayatollah said that "it was forbidden" to obey the Government and it was hostile propaganda that the people would not be free under an Islamic regime.

lights the conflicting loyalties within the Iranian armed forces two deserting soldiers were carried shoulder-high through the cheering crowds to his presence. Asked why they had deserted, they said: "Because the Ayatollah ordered us to." They said many dozens had done likewise. Earlier, the Ayatollah Khomeini had said he would not tolerate the execution of 150 air force men believed to be in detention in Tehran after demonstrating in support of him on their bases. "If one air force officer is killed by the authorities, every one of the members will be punished," he said. In contrast to the apparent toughness of the Ayatollah's speeches was his continuing failure to announce the long-promised revolutionary council, and continuing resistance to appeals to endorse a head-on collision with the authorities through calls to arms.

There were indications yesterday that he could be preparing for a drawn-out test of will and strength with Dr. Shapour Bakhtiar the Prime Minister. An aide said confrontations could be avoided if mass resignations from Parliament were the Prime Minister to resign. He claimed 71 members of the 265-strong Majlis—the lower House of Parliament—had already resigned, and that more resignations from the nine-man regency council appointed by the Shah were already expected. Acknowledging that an Islamic government established by the Ayatollah could not run without the assistance of the army, the aide said a high-ranking military man would be included in the revolutionary council which would replace Dr. Bakhtiar's administration. Dr. Bakhtiar, claimed yesterday in an interview with French radio that he still had the complete support of the army. He said that, if asked, he would be ready to bring into his Cabinet

ministers who support Ayatollah Khomeini. The premier must be aware that the only way of avoiding civil war now is by reaching a compromise with the Ayatollah. He said he would do all he could to stop dictatorship returning to Iran. Details of the Ayatollah's plans may become clearer today when he addresses a news conference. David Tange adds: The British Government has not yet attempted to make contact with the Ayatollah. The feeling is that it would be unwise to do so while he is bathed in the glare of publicity of recent weeks. During the Shah's rule, doing business with the Government precluded doing business with the opposition. After the Shah's departure the British view was apparently that the Ayatollah, having been so long neglected and apparently favouring a policy of "neither East nor West" might not take kindly to any approach.

### MAN OF THE WEEK

## Down on the farm

BY MARGARET VAN HATTEM

THEY CALL him Hamlet. Like his legendary counterpart, he takes a long time to make up his mind, often changes it, and always has plenty of plausible reasons for doing so.

In fact, Finn Olav Gundelach, the EEC Farm Commissioner, often seems a lot more like Yorick, especially at the end of an all-night negotiating session with the Community's intransigent farm ministers. He is a perfectionist, and drives himself very hard. He also drives his staff extremely hard and will get them to rewrite a speech six times until it strikes exactly the right chord. Not surprisingly, the rapid turnover in his cabinet is grist to the Brussels gossip mill.

Right now, Mr. Gundelach is the man on whom EEC governments depend to keep things quiet on the farm while they try to link their currencies. Heads of government may agree all sorts of things between themselves, but he is the one who must bring their rebellious agriculture Ministers to heel.

This week, he won the first round. He got the Commission's proposals for a farm price



Finn Olav Gundelach Bringing rebellious agriculture ministers to heel.

freeze on the table. Next week, he confronts the farm ministers with them. Or rather, any other Commissioner would, but Mr. Gundelach never confronts anyone with anything. He takes them aside for a quiet private chat, and tries to establish common ground. He will do so nine times or more if necessary, in the hope that when the nine are finally brought together, this common ground will somehow coalesce. It rarely does, but he never gives up.

One of the most frequent criticisms of Mr. Gundelach is that he is a one-man-band, a juggler who likes to keep all the balls in the air until the last minute and brooks no interference. Farmer and consumer lobbyists, as well as politicians, complain that they never know where they are. The Commissioner, they say, is a man who tries to please everyone but who will always, in the end, cut his losses and take what he can get. "The trouble with you British," Mr. Gundelach once said, "is that you have never understood the commission. It is not a secretariat and will not produce proposals to order. It is the government. The Council of Ministers is merely the senate."

Brave words, but yet to be borne out. His speeches of the past few weeks, warning of farm surpluses near "explosion point" and pointing out that the Community's farmers are doing very nicely and can afford a few losses, are echoes of speeches made this time last year. The result then was an average 7 per cent rise in national prices, with price rises for surplus commodities, a cut in tax on milk production and abandonment of a plan to suspend intervention buying of dairy surpluses.

This year, he is attempting something more ambitious, but more crucial to the functioning of the Community, than any of his peers or predecessors have essayed. A unanimous agreement by the Nine on what the Commission believes to be fundamentally necessary already looks impossible. Will he, as in the past, keep reshaping his proposals until he comes up with an acceptable mix? Or will he be the first Commissioner ever to hold out, and let the ministers stew? And if so, will he be able to get away with it?

Success on his part would certainly strengthen his fellow Commissioners. And success does not necessarily mean a tidy agreement. Like Hamlet, Mr. Gundelach has survived many fencing matches—as Danish Ambassador to the UN in Geneva, to the EEC in Brussels, as Deputy Director General of GATT. Unlike Hamlet, he has quite a few still to go and it is certain that at the end of this particular act, the corpses littering the stage are unlikely to include his own.

## Slight rise in underlying level of reserves

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE UNDERLYING level of Britain's official reserves rose slightly during January, highlighting the strength of sterling in face of renewed fears about inflationary pressures produced by the widespread industrial disputes.

The published total rose by \$564m to \$16,260m. But this was after an allocation by the International Monetary Fund of \$367m Special Drawing Rights, its own currency unit, and substantial net new borrowing overseas by the UK.

The underlying rise in the reserves was \$75m. This reflects the balance of a limited amount of intervention in both directions in this market. Foreign currency came in at the beginning and end of the month and the rate was probably supported in mid-January.

The Government yesterday took advantage of this stability to continue its programme of spreading the burden of overseas debt repayment away from the peak years of 1979-84 with the announcement by the Electricity Council of the repayment before the due dates of a \$500m syndicated credit. There are no apparent plans for refinancing this loan, though the council is to receive about

\$200m from the European Investment Bank. The British authorities are enjoying a fair amount of external flexibility at present in view of the stability of sterling, which in large part reflects a continuing rough balance on current account. The pound yesterday slipped 10 points to \$1.98, while the trade-weighted index finished unchanged at 63.4, less than 1 per cent below its early January level.

The marked revival of the dollar over the last week was maintained yesterday with small gains against several currencies apart from the Japanese yen. This strength has been reflected in market reports both of intervention by the Bank of Japan and the West German Bundesbank to hold down their currencies and of the repayments of part of the U.S. drawings on swap facilities arranged last year.

But no one in the market is yet rushing to talk about a turning point in the dollar's fortunes after the pressures of the last two years. There is still concern that the respite might be only temporary, though the rally so far has been in spite of a fall in Eurodollar rates and a rise in German interest rates.

The Electricity Council loan was due to be repaid in half-yearly instalments between the end of this year and 1984. It carried a floating rate coupon of 1/2 of a point above London interbank offered rates up to 1980 and of 3/4 point above thereafter. Hence it is attractive to repay now on interest rate grounds while reducing the repayment bump in the right period.

This is the largest early repayment of debt for 12 months, apart from International Monetary Fund loans, and will affect the reserves in March and April. However, the impact will be offset in part by receipts from the remaining \$131m due on the British Gas loan and the \$250m Post Office issue in New York. But these are likely to be spread over the first half of 1979.

During January, new public sector borrowings amounted to \$161m, including \$105m on the British Gas issue and \$56m from various EEC institutions for nationalised industries. This was partially offset by repayments of \$39m.

Decline of Canadian dollar, Page 2; EEC loans for power schemes, Page 4

## York Trailer sues pickets

BY Nick Gamett, Labour Staff

YORK TRAILER, one of Europe's largest manufacturers of truck trailers and containers, is claiming substantial damages against nine pickets involved in the lorry drivers' dispute.

The company has launched a law suit against the pickets individually for damages to cover losses it incurred during the dispute. The total damages claimed run into thousands of pounds.

The company says that picketing at its main plant at Northallerton, North Yorkshire, was carried out against lorries operated by companies not in dispute with the drivers. This affected deliveries of oil and other supplies and resulted in the factory's closure for about three days.

The High Court last week declared unlawful secondary picketing by a Transport and General Workers' Union shop steward against a United Biscuits supplier company.

In a similar decision yesterday, Mr. Justice Chapman granted Saffery Foodstores an injunction against Mr. William McSorley, said to have been involved in picketing at the company's Warrington distribution depot.

## Government offers £70m aid to Dockland

BY PAUL TAYLOR

THE GOVERNMENT yesterday offered £70m in guarantees, loans and grants to encourage industrial and commercial developments in London's derelict docklands. But at the time, Mr. Peter Shore, Environment Secretary, confirmed in a Commons written answer that the Government would not support the £83m trade mart complex proposed for the area by Mr. Trammell Crow, a Texas businessman.

The decision drew an immediate attack from Mr. Horace Cutler, leader of the Greater London Council. He described it as "a crushing blow" to Dockland and accused the Government of "dithering" for five years over the trade mart plans. He called the package of aid for other projects camouflage, inasmuch as the power to take the guarantees and loans was already existing. The cash being made available—up to £50m in guarantees and a further £20m in loans and grants over four years—will be

for developments which are thought to be economically viable and would have been undertaken in the south east anyway.

The guarantees will be provided, if required, under the Selective Investment Scheme provisions of the Industry Act, 1972, while the grants and loans spread over four years from 1979-80 will be financed from within the Environment Department's expenditure limits. Announcing the deal, Mr. Shore emphasised that the scheme "in no way detracted from existing regional policies." During discussions on the proposals several institutional investors are believed to have expressed interest although no specific projects have yet been studied.

Mr. Shore said he would shortly be discussing the finance and the types of projects with the Docklands Joint Committee—responsible for overseeing the redevelopment of docklands—and local authorities. Preference is expected to

be given to projects in Southwark, where the trade mart was planned.

Mr. Shore said that "after careful consideration" the Government had told the Trammell Crow company that it was not prepared to provide guarantees totalling £43m for the trade mart project, because of uncertainties over its viability. The trade mart was to have been built on a 133-acre site in Southwark providing about 1,000 permanent showrooms for manufacturers in the consumer industries and creating about 1,100 jobs. Mr. Trammell Crow would have put £5m of his own money into the project.

The Government decision not to provide financial backing for the project follows months of wrangling within Whitehall. The Government was thought to have been willing to reconsider the deal if Mr. Trammell Crow had been prepared to increase his financial commitment to the project substantially. News Analysis Page 4

## Continued from Page 1 BL Cars

have already voted to take strike action.

BL Cars said last night: "It was made clear during the secret ballot in December, that implementation of the party programme and national agreement depended on the additional costs being financed by increased labour efficiency. The company, at this crucial period in its recovery programme, cannot afford to make payments which have not been earned."

It added that the November strike at the Drews Lane, Coventry, components plant was primarily responsible for production targets being missed that month. December was better but still fell short of target.

BL insisted that the targets set for February and March were "realistic" and had been achieved many times in the past.

## U.S. judge seeks ban on coffee company

BY DAVID LASCELLES IN NEW YORK

A U.S. JUDGE has recommended that a commodity futures trading subsidiary of the Guinness Peat Group be barred from trading on U.S. exchanges for failing to supply its clients' names to the market regulators. The move, which grew out of the Commodities Futures Trading Commission's suspicions that coffee-producing countries were pushing up demand for coffee contracts, is bound to fuel the already heated debate about whether U.S. courts and Government agencies have authority over foreign companies abroad.

The subsidiary in Wiscope, S.A., based in Lausanne, Switzerland. It was one of a number of coffee futures traders

approached last year by the Commission during its investigation of coffee trading following a survey which showed that 35 per cent of the "long interest" (net purchases) on the New York coffee and sugar exchange was held by coffee producing countries. Wiscope refused to meet a Commission request for information about its clients on the grounds that this would violate Swiss secrecy laws.

The Swiss Government also objected to the Commission's direct approach to a Swiss company, after which the Commission proceeded through the State Department, but without success. Company Figures, Page 20

## Weather

UK TODAY

DRY with sunny periods. Showers with sunny spells in North. Outbreaks of snow or sleet in parts of Scotland. London, S. Cent. N. England, Channel Islands, S. Wales, E. Anglia, Midlands. Dry with sunny spells. Max. 5C (41F).

Cloudy, scattered outbreaks of sleet or snow. Max. 3C (37F). N. Wales, N.W. England, Lakes, Isle of Man, S.W. Scotland, N. Ireland. Sunny intervals, scattered showers. Max. 3C (37F).

Outlook: Sunny spells with some rain, sleet or snow, mainly in North. Overnight frost and fog patches.

BUSINESS CENTRES

	Y'day	midday	Y'day	midday
	°C	°C	°C	°C
Anandm.	23	27	18	21
Athens	13	15	13	15
Bahia	23	25	23	25
Bombay	23	25	23	25
Buenos	13	15	13	15
Calcutta	23	25	23	25
Canton	13	15	13	15
Cebu	23	25	23	25
Hankow	13	15	13	15
Hong Kong	13	15	13	15
Kobe	13	15	13	15
London	13	15	13	15
Lyons	13	15	13	15
Manila	23	25	23	25
Medan	23	25	23	25
Shanghai	13	15	13	15
Singapore	23	25	23	25
Tokyo	13	15	13	15
Yokohama	13	15	13	15

HOLIDAY RESORTS

	Y'day	midday	Y'day	midday
	°C	°C	°C	°C
Ajaccio	14	17	14	17
Algiers	14	17	14	17
Batavia	24	27	24	27
Bombay	24	27	24	27
Buenos	14	17	14	17
Calcutta	24	27	24	27
Canton	14	17	14	17
Cebu	24	27	24	27
Hankow	14	17	14	17
Hong Kong	14	17	14	17
Kobe	14	17	14	17
London	14	17	14	17
Lyons	14	17	14	17
Manila	24	27	24	27
Medan	24	27	24	27
Shanghai	14	17	14	17
Singapore	24	27	24	27
Tokyo	14	17	14	17
Yokohama	14	17	14	17

## Rent a KIENZLE computer for under £50 weekly!

Sooner or later you will decide to switch your accounting to a computer. With staff costs the way they are, the sooner the better!

Just move it into your Accounts Department and away you go.

Easy to Use  
We will soon show your staff how to use your Kienzle. Two months from now it could be running in your office with the minimum of upheaval.

Seeing is believing  
Visit some of our users and see for yourself just how a Kienzle works for them. You will be under no obligation. Just give us a call or use the coupon.

Kienzle Data Systems, 224 Bath Rd., Slough SL1 4DS  
Tel Slough 33355 Telex 948535 KIENZL G

Branches also at: Birmingham, Bristol, Bury St. Edmunds, Manchester, Tunbridge Wells, Washington, Aberdeen (agent) and Dublin.

**KIENZLE Computers**

My name is \_\_\_\_\_  
My position is \_\_\_\_\_  
Just cut out and clip it to your company letterhead or Post it to us today!

We say Kienzle - You say KEENS-LER

Registered at the Post Office. Printed by St. Clement's Press Ltd and published by the Financial Times Ltd, Stratton House, 15, Abchurch Lane, London, EC4N 3DF. © The Financial Times Ltd., 1979.

هكسان النحل